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News

United States
Department
of Labor



Office of Information

Washington, D.C. 20210

EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: D. BOARD
OFFICE: (202) 523-6191

USDL: 92-62
FOR RELEASE: IMMEDIATE
Wed., Feb. 5, 1992

KAREN R. KEESLING NAMED DEPUTY WAGE AND HOUR ADMINISTRATOR AT U.S. DEPARTMENT OF LABOR

Assistant Secretary of Labor for Employment Standards Cari M. Dominguez today announced the appointment of Karen R. Keesling to be deputy wage and hour administrator in the U.S. Department of Labor. The appointment is effective Feb. 10.

In announcing the appointment, Dominguez said, "We are delighted that Karen will be joining the Labor Department. Her skills and experience will be assets to the department in carrying out its mission of protecting the nation's wage earners."

As deputy administrator, Keesling will be responsible for administering and enforcing a variety of federal wage and employment laws and standards, including the federal minimum wage and overtime standards, child labor provisions, registration of farm labor contractors, prevailing wage rates on government contracts and subcontracts, and immigration-related programs designed to prevent American workers from being adversely affected by foreign workers employed under non-immigrant visas.

Keesling is a former assistant secretary for manpower and reserve affairs with the U.S. Department of the Air Force. Keesling's 8-1/2 year Air Force career, from 1981-89, also included positions as principal deputy assistant secretary or deputy in the program areas of human resources, equal opportunity, and readiness support.

Prior to her Labor Department appointment, Keesling was a practicing attorney in general civil law, with an emphasis on domestic relations, wills and probate, and small business, in Falls Church, Va.

A native of Wichita, Kan., she received her BA and MA degrees from Arizona State University in Tempe in 1968 and 1970, respectively. In 1981, she received her Juris Doctor degree from Georgetown University Law Center, and she has been a member of the Virginia and Florida Bars since that time.

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The department filed suit last July to collect unpaid back wages for the workers along with liquidated and punitive damages, repayment of alleged "kickbacks" and improper paycheck deductions.

Wage and Hour investigators said that in November 1990 some \$3-million in payroll checks representing back wages were issued to workers but that many of the employees were allegedly intimidated or coerced into returning their checks. The department alleges that workers who refused to return their checks were fired and shipped back to mainland China.

The garment workers have been protected since last July 30 under a preliminary court injunction requiring the firms to pay the proper overtime wages and to keep accurate payroll records. Judge Munson has appointed an independent auditor to monitor compliance.

Saipan, an American possession since the end of WWII, is part of the Commonwealth of the Northern Mariana Islands and is some 7,000 miles from San Francisco. The islands' workers are afforded the same protections of the national wage and hour law as their counterparts in the U.S. except that their minimum wage hourly wage rate of \$2.15 is set by the Commonwealth government.

The Labor Department claims the Chinese workers were paid an hourly rate ranging from \$1.63 to \$1.75 or less and that they averaged 11 hours a day on their machines Monday through Saturday and 8 1/2 hours on Sunday and did not receive overtime pay as required by the federal law.

The department alleges that these pay and work practices have been going on since at least July of 1988. The garment factories produce cotton, acrylic and wool sweaters and shirts for both men and women.

Named in the suit are five Saipan-based garment manufacturers: American International Knitters Corp., American Investment Corp., Pacific Garment Manufacturing Corp., Pacific International Corp., and Mariana Management Agency, Inc., plus L & T International Corp. who handles accounting, payroll and labor recruiting for the five factories. The department estimates that the firms ship about \$100-million worth of duty free garments to the U.S. annually.

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United States
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Office of Information

Washington, D.C. 20210

EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: DOLORES BOARD
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USDL: 92-149
FOR RELEASE: Immediate
Wed., March 18, 1992

CHRISTINE D. BROOKS NAMED EXECUTIVE ASSISTANT TO ESA ASSISTANT SECRETARY DOMINGUEZ

The Labor Department today announced the appointment of Christine D. Brooks as an executive assistant to Assistant Secretary for Employment Standards Cari Dominguez. Brooks will serve as the assistant secretary's personal representative on policy issues.

In making the announcement, Dominguez, said: "I am delighted that Christine Brooks has joined us. She brings a wealth of expertise in the areas of rehabilitation and workers' compensation programs. In addition, the wide range of skills gained during her career with other state agencies and as an educator make her a tremendous asset to this agency."

The Employment Standards Administration administers laws and regulations setting employment standards, requires federal contractors and subcontractors to be equal opportunity employers and provides compensation benefits to certain workers injured on the job.

Brooks, a former official of the Florida Department of Labor and Employment Security, headed that agency's workers' compensation rehabilitation program for six years. Before joining the U.S. Department of Labor, she was deputy director, Office of Policy and Planning, with the District of Columbia's Department of Human Services.

A native of North Carolina, Brooks received her B.S. degree cum laude from North Carolina Central University at Durham, her M.A. degree from Columbia University, and her Ph.D. from Florida State University in Tallahassee.

Her work experience also includes employment with the Florida Department of Education's Adult and Vocational Education Program, Fayetteville State University (N.C.), Florida A & M University in Tallahassee, and the North Carolina public school system.

Brooks is a member of the President's Committee on Employment of People with Disabilities and Zonta International Business and Professional Women's Association. She is the recipient of numerous honors and awards and is published in the areas of workers' compensation programs, health cost containment issues, and mentoring programs for women and minorities.

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United States
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of Labor



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Washington, D.C. 20210

EMPLOYMENT STANDARDS ADMINISTRATION

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USDL: 92-147
FOR RELEASE: Immediate
Thursday, March 19, 1992

U.S. AND FLORIDA LABOR DEPARTMENTS AGREE TO COOPERATE IN ENFORCEMENT OF LAWS PROTECTING AGRICULTURAL WORKERS

The U.S. Department of Labor and the Florida Department of Labor and Employment Security today signed a Memorandum of Understanding (MOU) designed to enhance both agencies' abilities to administer state and federal laws affecting agricultural workers in Florida.

"We intend for all workers -- whether in fields or factories -- to have decent, safe and healthy working conditions," said U.S. Secretary of Labor Lynn Martin. "Through the coordination of state and federal resources, this agreement will help achieve that goal for Florida's farm workers. I hope it will serve as a blueprint for similar efforts throughout the country."

In signing the MOU, the U.S. Labor Department's Assistant Secretary for Employment Standards Cari Dominguez and Florida's Secretary of Labor and Employment Security Frank Scruggs agreed to coordinate outreach efforts, investigations and enforcement resources.

Specifically, the MOU calls for a series of joint activities, including:

- conducting joint investigations when appropriate, exchanging information and seeking the cooperation of other federal, state and local agencies;
- sharing evidence for civil and/or criminal enforcement actions brought by each of the parties;
- developing and disseminating outreach materials identifying the rights and responsibilities of agricultural workers, employers and other parties, and
- making joint presentations to employer and employee groups to ensure they are fully informed of their rights and responsibilities under the applicable statutes.

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The MOU is an outgrowth of separate trips to South Florida by Martin and Dominguez in the wake of an Oct. 18, 1991, van accident which killed seven Guatemalan farm workers.

Dominguez was in Tallahassee today accompanied by Wage and Hour southeast Regional Administrator Jim Valin to join Florida Labor Secretary Scruggs for the signing of the MOU. In remarks following the signing ceremony, Dominguez noted that her fact-finding trip, conducted at the Secretary's request immediately following the accident, "revealed many areas in which we can work with the state to achieve better enforcement of laws that protect farm workers. This agreement demonstrates our sincere commitment to coordinate these efforts."

The wage and hour division, a part of the U.S. Labor Department's Employment Standards Administration, is responsible for administering and enforcing the Migrant and Seasonal Agricultural Worker Protection Act (MSPA), as well as other laws that protect farm workers. MSPA provides wage protection and establishes transportation requirements including vehicle safety and insurance, housing standards and other labor standards for farm workers.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: JANET L. ELLIS
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USDL: 92-155
FOR RELEASE: Immediate
Monday, March 23, 1992

LABOR DEPARTMENT FOCUSES ON U.S. GARMENT INDUSTRY

Secretary of Labor Lynn Martin today announced the start of a nationwide education and enforcement initiative to bring about better compliance with the Fair Labor Standards Act (FLSA) in the garment industry.

Secretary Martin said, "In the past, our efforts have focused primarily on the production contractors and suppliers in this industry. And while we've had some success, problems still persist. So now we are enlisting the assistance of apparel manufacturers and retailers to make sure their suppliers abide by the law."

As part of the education and outreach element of the initiative, the department sent out 3,300 letters to manufacturers explaining the FLSA. The letter advises the manufacturers what steps can be taken to ensure their contractors, subcontractors and jobbers operate in compliance with the law. The department completed the mailing last week.

Ultimately, if violations of employment standards are discovered in a garment contractor's operations, the Labor Department will consider injunctions to prevent shipment of the contractor's garment products to the manufacturer or retailer.

Under what's known as the law's "hot goods" provision, the FLSA prohibits the shipping, delivery or sale of goods produced by employees who were employed in violation of the minimum wage, overtime, child labor or homework standards of the law.

The department's Wage and Hour Division, responsible for enforcing the FLSA, began developing this initiative last August, taking into account compliance issues identified during an evaluation of previous garment industry investigations.

The previous investigations found that: almost half of the contractors working for apparel manufacturers have minimum wage and overtime violations; over seven percent use illegal child labor; more than 20 percent employ homeworkers illegally; and 90 percent have record keeping violations involving hours worked and wages paid.

The garment industry is one of the largest manufacturing industries in the United States, employing 5.5 percent of all U.S. manufacturing workers. These workers are employed by more than 1,000 garment manufacturers and more than 20,000 cutting and sewing contractors located across the country. The Bureau of Labor Statistics estimates more than one million workers are employed in apparel and related industries.

The Wage and Hour Division protects the rights of nearly 90 million American workers covered by the FLSA, which sets federal minimum wage and overtime pay standards. In addition, the division enforces laws governing child labor, migrant and seasonal farm labor, non-immigrant foreign workers, polygraph protection, whistleblowers and prevailing wage rates on federal construction projects and service contracts.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: HELENE MELZER
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USDL: 92-183
FOR RELEASE: Immediate
Monday, April 6, 1992

CLEVELAND ELECTRIC ILLUMINATING COMPANY TO PAY \$280,000
TO 200 MINORITY JOB APPLICANTS DENIED EMPLOYMENT

The Cleveland Electric Illuminating (CEI) Company of Cleveland has agreed to pay \$280,000 to an estimated 200 minority applicants who were allegedly denied employment because of their race. The applicants had applied for entry-level clerical for entry level clerical positions at the firm between Jan. 1, 1985 and Dec. 31, 1986.

The consent decree, signed by CEI and the U.S. Labor Department's Office of Federal Contract Compliance Programs (OFCCP), was issued by an administrative law judge. It resolves an administrative complaint filed on behalf of OFCCP by the Labor Department's regional solicitor.

CEI also agreed in the consent decree to offer employment to a selected group of applicants until either 30 have been offered jobs or 15 have accepted.

The company further agreed to develop an internal audit and report system to include review and revision, as necessary, of its clerical applicant selection process. The company will use a computerized monitoring system to determine potential adverse impact in its applicant selections and to take necessary steps to correct this situation, including possible direct intervention by the firm's equal employment opportunity officer.

OFCCP Regional Director Halcolm Holliman said the conciliation process leading to the filing of a formal complaint began in 1987. "The conclusion of the case sends a message to the federal contractor community that we will take the long road, if necessary, in order to assure protection of the employment rights of all Americans," he said.

OFCCP will continue to monitor the performance of the contractor throughout the two-year effective period of the consent decree.

OFCCP is responsible for enforcement of Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, and Section 2012 of the Vietnam-era Veterans Readjustment Assistance Act of 1974. Those laws and executive orders prohibit discrimination by federal contractors and require affirmative action in the employment and advancement of workers with disabilities, women, minorities, Vietnam-era veterans and certain veterans with disabilities.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: JANET L. ELLIS
PHONE: (202) 523-8305

USDL: 92-214
FOR RELEASE: Immediate
Monday, April 13, 1992

LABOR DEPARTMENT HONORED FOR ACHIEVING HIGH STANDARDS OF QUALITY SERVICE

The Department of Labor's San Francisco regional Wage and Hour Division has won the Office of Personnel Management's 1992 Quality Improvement Prototype Award. The award is given annually to federal organizations in recognition of systematic efforts to achieve high quality products and services.

Secretary of Labor Lynn Martin said, "This prestigious award recognizes a successful quality management approach to improve our service to workers and employers. In addition, it is an important part of the department's efforts to become a model government agency and workplace."

The San Francisco region's wage and hour staff initially organized idea teams which identified work-related problems and developed recommendations to improve customer satisfaction. This approach gave staff the opportunity to analyze customers' needs and suggest ways to improve the overall effectiveness of the agency.

These employee-developed initiatives resulted in several important improvements ranging from faster delivery of unpaid back wages to workers to the reduction of backlogs in the registration of farm labor contractors.

Acting Wage and Hour Administrator Karen Keesling said, "This award recognizes the good ideas and hard work of 140 managers, investigators and support staff working in cooperation with employee union representatives over the past year. I'm very proud of the entire wage and hour regional team for its efforts and accomplishments." Keesling also noted that quality principles and practices have been integrated throughout all wage and hour offices.

"Employees are enthusiastic about the greater voice they have in improving the effectiveness of the agency, which has translated into a sense of responsibility to better determine and meet the

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public's needs," said Bill Buhl, the San Francisco wage and hour regional administrator. "As one of my investigators put it, 'Before adopting these new principles, I was just another cog in the wheel. Now I feel I'm part of a team effort, on equal footing with my superiors, working to improve the agency as well as serve our public.'"

The San Francisco region encompasses California, Hawaii, Arizona, Nevada and the Pacific Islands. Last year the regional Wage and Hour Division returned to workers more than \$17.5 million in back wages of the more than \$156 million that had been illegally withheld by their employers nationwide.

The Wage and Hour Division protects the rights of most American workers by ensuring covered employees receive both the federal minimum wage and overtime compensation required under the Fair Labor Standards Act. In addition, the division enforces child labor, migrant and seasonal farm labor, non-immigrant foreign workers, polygraph protection and whistleblower laws, as well as establishing prevailing wage rates on federal contracts.

The award will be presented by Office of Personnel Management (OPM) Director Constance Newman during OPM's Federal Quality Institute annual conference May 27-29, 1992, in Washington, D.C.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: ROBERT A. CUCCIA
PHONE: (202) 523-8743

USDL: 92-238
FOR RELEASE: Immediate
Thurs., April 23, 1992

USAIR CONSENTS TO \$1.8 MILLION SETTLEMENT IN OFCCP HIRING DISCRIMINATION CASE AGAINST PIEDMONT

USAir, acting as a successor to Piedmont Aviation, Inc., has agreed to a consent decree which provides relief to a class of minority applicants for pilot and flight attendant positions who were denied jobs by Piedmont during the period 1984-88.

The Labor Department's Office of Federal Contract Compliance Programs (OFCCP) filed a complaint on April 15, 1988, alleging that Piedmont had discriminated against minority applicants for pilot and flight attendant positions in violation of Executive Order 11246. After its merger with Piedmont, USAir was substituted as the party defendant in August 1989.

The relief provided under the consent decree includes \$150,000 in back pay to be divided among up to 92 flight attendant class members, and \$1,650,000 in back pay to be divided among up to 42 pilot class members, who were rejected for hire by Piedmont. The back pay total of \$1.8 million is one of the largest settlements obtained by OFCCP under Executive Order 11246, which prohibits government contractors from discriminating in employment on the basis of race, sex, national origin or religion.

Back pay will be pro-rated based on the year of application. Preferential consideration for hire will be given to up to 25 flight attendant class members and up to seven pilot class members after all USAir personnel presently on furlough have been recalled. Those pilot class members who are hired pursuant to the decree will receive retroactive seniority for pay, benefit and furlough purposes. USAir will also provide an adjusted seniority date to an eighth pilot who was rejected by Piedmont but subsequently hired by USAir.

Both the Association of Flight Attendants (AFA) and the Air Line Pilots Association (ALPA) intervened in the suit; ALPA objected to certain provisions of the decree. Following a hearing on those objections, the presiding administrative law

judge approved the decree. ALPA did not appeal that ruling to the Secretary of Labor.

The consent decree has the same force and effect as an order made after a full hearing.

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Washington, D.C. 20210

EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: ROBERT A. CUCCIA
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USDL: 92-254
FOR RELEASE: Immediate
Thurs., April 30, 1992

TEXAS HOSPITAL AGREES TO \$572,864 IN DISCRIMINATION SETTLEMENT

St. Elizabeth's Hospital in Beaumont, Texas has agreed to provide back pay and raises to 100 Asian nurses receiving lower salaries than other nurses in the same jobs.

St. Elizabeth's provides hospital services for veterans under contract to the U.S. Army, which makes it a federal contractor. OFCCP enforces the executive order which requires federal contractors to follow equal employment opportunity practices.

The nurses were paid less because the hospital had not given them credit for experience and certification received in foreign hospitals. Under terms of the agreement, the hospital adopted a policy of providing nurses experience credit once they pass the test given by the Texas Board of Nursing Examiners and are certified as Registered Nurses.

Under terms of the agreement, the hospital will pay the Asian nurses back wages of \$130,000 and will pay them at a rate equal to other nurses with similar duties, resulting in a total settlement of \$572,864.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: ROBERT A. CUCCIA
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USDL: 92-253
FOR RELEASE: Immediate
Thurs., April 30, 1992

LEVI STRAUSS SETTLES HANDICAP DISCRIMINATION CASE, AGREEING TO PAY \$150,000

Levi Strauss & Co. of San Francisco has agreed to pay \$150,000 in back wages and to make job offers to 30 people as part of a conciliation agreement with the U.S. Department of Labor. The agreement follows a review of employment practices at eight Levi Strauss facilities in Texas and New Mexico.

Investigators of the Office of Federal Contract Compliance Programs (OFCCP), part of the Department's Employment Standards Administration, found that Levi Strauss was using pre-employment physical examinations to routinely screen out individuals with certain medical conditions. The company failed to consider individuals' capabilities, medical history or employment history. The 30 individuals were identified as having been denied employment based on perceived handicaps.

Levi Strauss also has agreed to stop using pre-employment physical examinations.

The OFCCP is responsible for enforcing Executive Order 11246, Section 503 of the Rehabilitation Act of 1973 as amended and other laws requiring federal contractors and subcontractors to guarantee equal employment opportunity without regard to race, sex, religion, color, national origin, disability or Vietnam-era veteran status.

Levi Strauss, a clothing manufacturer, has a contract with the U.S. Army/Air Force Exchange Service (AAFES). OFCCP reviewed compliance at Levi Strauss plants in San Antonio, El Paso and Albuquerque.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: ROBERT A. CUCCIA
PHONE: (202) 523-8743

USDL: 92-252
FOR RELEASE: Immediate
Thurs., April 30, 1992

CONTINENTAL BANK AGREES TO \$150,000 EQUAL EMPLOYMENT OPPORTUNITY
SETTLEMENT WITH LABOR DEPARTMENT

The U.S. Labor Department's Office of Federal Contract Compliance Programs (OFCCP) has reached a conciliation agreement with Continental Bank in Philadelphia in which the company will pay back wages totaling \$150,000 to 46 minority applicants who were denied jobs as customer service representatives.

According to Virginia L. Harper, district regional director of OFCCP in Philadelphia, the agreement was signed April 15, 1992, and is the result of a compliance review which began in April 1991. Lucille D'Armi, a compliance officer from the district office in Philadelphia, handled the review.

OFCCP alleged that discrimination occurred against the minority applicants from February 1990 through December 1990. In the agreement, Continental Bank agreed to divide the \$150,000 in back pay among the 46 applicants.

In addition to the compensation, the company agreed it will offer employment to 13 minorities from the same pool of applicants for full or part-time positions as tellers, customer service representatives or other comparable positions. Continental also agrees to develop an audit and reporting system that monitors personnel activity.

Harper said, "We are pleased to be able to settle this case without having to go through legal proceedings. OFCCP's effort to achieve compliance through negotiated settlement is in the best interest of all parties concerned."

OFCCP, a division of the department's Employment Standards Administration, is responsible for enforcing Executive Order 11246, which prohibits federal contractors from discrimination in

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employment based on race, sex, religion, or national origin, and requires contractors to take good faith efforts to hire women and minorities.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: JANET L. ELLIS
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USDL: 92-299
FOR RELEASE: Immediate
Friday, May 15, 1992

LABOR DEPARTMENT PEONAGE CASE RESULTED IN GUILTY PLEA TO SERIOUS CRIMINAL CHARGES AND \$1.5 MILLION WAGE SETTLEMENT

The Department of Labor announced today that Griffith-Ives Company and Edwin Mitchell Ives pled guilty in federal court to a series of charges including racketeering, conspiracy, harboring undocumented workers, failure to pay minimum wages and overtime compensation, and requiring workers to purchase services and goods solely from the defendants.

Ives, and his company, one of the nation's largest growers of baby's breath, eucalyptus and other ornamental flowers, agreed to pay \$1.5 million in restitution for back wages due to over 380 employees and ex-employees illegally recruited in Mexico for minimum wage and overtime violations. Ives also pled guilty to a total of eight felony and eight misdemeanor charges brought by the U.S. Attorney's Office in coordination with the Labor Department's Wage and Hour Division, the Immigration and Naturalization Service (INS), and the Federal Bureau of Investigation (FBI).

Secretary of Labor Lynn Martin said "This case represents the worst kind of worker abuse and shows our firm commitment to stamping out such exploitative employment practices. Companies like this, that ignore our country's wage laws by paying virtually slave wages, not only undercut the economy and take advantage of people desperate for work, but also deny crucial jobs to American workers."

The department's Wage and Hour division, responsible for the enforcement of the minimum wage and overtime provisions of the Fair Labor Standards Act and the Migrant and Seasonal Agricultural Worker Protection Act, conducted an investigation in 1989 of the Ives ranch located in Somis, CA. The investigation found and as part of the guilty plea Ives admitted, that workers were recruited illegally from Mexico, were often required to work 16 hour days six days a week, and were required to buy food and other necessities from a company store at inflated prices. It was also found that workers were not permitted to leave the ranch until smuggling fees and debts due the company store were paid.

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According to Bill Buhl, the Wage and Hour San Francisco Regional Administrator responsible for overseeing the investigation of this case, deductions were made from the workers' pay for smuggling fees, counterfeit residence cards, and other illegal charges that reduced workers' pay far below the Federal minimum wage.

The investigation was prompted by information obtained from two "escapees" from the Ives Ranch who revealed working conditions to Wage and Hour investigators. Wage and Hour advised the FBI and INS of the allegations in this case, resulting in both agencies and later the U.S. Attorney's office joining the case.

Upon completion of the investigation, the Department's San Francisco Regional Solicitor's office and the U.S. Attorney's Office simultaneously filed charges in Federal District Court, with Labor seeking remedies for the workers under the Fair Labor Standards Act and the Migrant and Seasonal Agricultural Workers Protection Act.

Ives and 10 co-defendants that worked on the ranch were originally indicted May 29, 1990, by a federal grand jury on 15 counts, including charges of violating the 82 year-old anti-slavery statute. In return for guilty pleas, the Justice Department dropped the slavery and certain other charges, to resolve both the criminal case and related civil actions.

The Department is currently working with local organizations and Mexican government officials to locate the workers who were not paid in accordance with Federal law.

Ives faces a total of 16 years incarceration for the felony charges. Sentencing is tentatively scheduled for Aug. 3, 1992.

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EMPLOYMENT STANDARDS ADMINISTRATION

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USDL: 92-304
FOR RELEASE: Immediate
Thursday, May 21, 1992

SAIPAN GARMENT MANUFACTURERS AGREE TO PAY \$9 MILLION IN BACK PAY CASE

The U.S. Department of Labor announced today settlement of pending civil litigation against five garment manufacturers, an associated administrative and accounting firm and their owners located on the Northern Mariana Island of Saipan. In this agreement, the companies and their owners will pay \$9 million for back wages and other compensatory, liquidated and punitive damages to more than 1,200 employees for past wage violations. Payment of these wages will be administered by the U.S. Department of Labor.

Secretary of Labor Lynn Martin said, "Employers have a legal obligation to ensure their workers are paid in accordance with the law, be they here or in one of our U.S. territories, protectorates or other areas under our jurisdiction. When employers fail to do this, it hurts the worker, the American manufacturing industry and undercuts all our efforts to create decent jobs."

The settlement is a result of investigations of these six companies that began in 1990 by the San Francisco regional office of the department's Wage and Hour Division. The investigations found workers, primarily recruited from China, worked up to 84 hours per week, did not receive overtime pay as required by law and were paid far below the Saipan minimum wage rate of \$2.15 per hour.

The department charged that these pay and work practices had been ongoing from at least July of 1988 through September 1991. The garment factories produce cotton, acrylic and wool shirts, sweaters and other apparel products for both men and women under the "Made in the U.S.A" label.

The garment workers have been protected since last July under a preliminary court injunction requiring the firms to pay the proper overtime wages and to keep accurate payroll records.

Under the agreement signed, the five garment manufacturers, American International Knitters Corp.; American Investment Corp.; Pacific Garment Manufacturing Corp.; Pacific International Corp.; and Mariana Management Agency, Inc.; plus L & T International Corp., which handles accounting, payroll and labor recruiting for the five factories; and the corporate owners Willie and Jerry Tan, and Tan Siu Lin have been permanently enjoined and restrained from future violations of the provisions of the Fair Labor Standards Act.

Saipan, originally a U.S. Trust Territory and currently subject to U.S. jurisdiction, is part of the Commonwealth of the Northern Mariana Islands (CNMI), some 7,000 miles from San Francisco. The island workers are afforded most of the protections available under federal wage and hour laws, excluding the federal minimum wage rate of \$4.25 per hour.

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This information will be made available to sensory impaired individuals upon request. Voice phone: (202) 523-8305. TDD Message Referral Phone Number: 1-800-326-2577.

The text of this release is available from the Department of Labor electronic bulletin board, LABOR NEWS. User costs are limited to a toll call. LABOR NEWS Phone: 202-523-4784; 1200 or 2400 BAUD; Parity: None; Data Bits = 8; Stop Bit = 1; Voice phone: 202-523-7343.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: JANET L. ELLIS
PHONE: (202) 523-8305

USDL: 92-342
FOR RELEASE: Immediate
Thursday, June 4, 1992

DEPARTMENT OF LABOR'S STRIKE FORCE SHOWS CHILD LABOR VIOLATIONS STILL WIDESPREAD

Secretary of Labor Lynn Martin today announced results of a two week nationwide strike force carried out earlier this spring to promote compliance with federal child labor laws.

The Labor Department strike force focused primarily on smaller towns around the country, in businesses where child labor violations are most common. These include retail stores, restaurants and recreational facilities. Garment contractors and construction companies were also targeted.

Martin said that the department discovered nearly 5,000 minors working in violation of federal child labor laws at approximately 1,300 of the 4,700 businesses investigated during March and early April. Most violations involved minors aged 14 and 15 working too many hours, but more than one-quarter of the violations involved 16- and 17-year-olds working in hazardous jobs. Children under the age of 14 were also found working in violation of child labor laws. It is estimated that more than \$3.2 million in civil money penalties will be assessed for these violations.

"Work can be an important element of learning for today's youth. But equally important is reaching a balance that encourages work experience while allowing ample time for education," said Secretary of Labor Lynn Martin.

"As we near the 21st century, an educated and well-trained workforce will be instrumental to our nation's economic competitiveness and our children's future," Martin said.

"This enforcement effort continues to demonstrate the department's commitment to ensuring employers are aware of and abide by the law. We must continue to address this important area to ensure that our children enjoy employment opportunities that are legal and allow education to be their number one priority," Martin added.

The use of child labor strike forces began in 1990 and primarily occurred in major cities throughout the country. Since that time, the department's Wage and Hour Division has carried out regional and local strike force efforts as part of their overall compliance program, with trends indicating a decline in the rate of investigations in which violations were found, from a high of 41 percent in 1990 to a low of 28 percent in the most recent enforcement action.

Karen Keesling, acting wage and hour administrator, said, "Many employers have taken steps to comply with the nation's child labor laws as a result of our continuing education and enforcement activities. Our goal is to protect the health and well-being of our children by ensuring that employers provide legal and safe work experiences. When necessary, we will continue to utilize such targeted enforcement actions in both urban and rural areas, even as we pursue our regular, on-going education and enforcement efforts."

Information released by the department today indicates that some 480 businesses in 39 states have been cited and assessed penalties for violations of federal child labor laws as a result of the spring strike force. These violations involved more than 2,000 illegally employed minors, resulting in fines totalling more than \$1.6 million.

According to Keesling, the department will continue to analyze the strike force results, follow up on leads that were developed and complete investigations over the coming months. Further results will be announced as these activities are completed.

Under child labor provisions of the Fair Labor Standards Act (FLSA), 14- and 15-year-olds may be employed in non-farm jobs that are not hazardous under the following restrictions:

- they may not be employed during school hours;
- they may not work before 7 a.m. or after 7 p.m., except from June 1 through Labor Day when work may continue until 9:00 p.m.;
- they may not work more than 3 hours per day or 18 hours per week during school weeks, nor more than 8 hours per day or 40 hours per week in non-school weeks.

Minors under 16 may not be employed in certain occupations, including construction, manufacturing, and transportation.

Minors under 18 may not be employed in certain hazardous occupations including the operation or maintenance of meat slicing equipment, paper or cardboard baling equipment, and jobs that require driving vehicles, such as pizza delivery. There is no federal limit on the hours 16- and 17-year-old youths can work in non-hazardous jobs in a week, but they must be paid overtime for working more than 40 hours in a workweek.

PLEASE NOTE:

The attached table of "1992 Child Labor Strike Force Enforcement Actions, by State" is based on the 1992 strike force cases in which child labor violations have been formally cited and civil money penalties assessed.

(Firms that have been cited may appeal the findings before an Administrative Law Judge, seeking to have them overturned, or pay the assessed fine.)

Attachment

1992 Child Labor Strike Force Enforcement Actions, by State
Report of June 1, 1992

<u>State</u>	<u>Number of Cases*</u>	<u>Number of Violations</u>	<u>Number of Minors Found</u>	<u>Total CMPs Assessed</u>
Alaska (AK)	3	29		\$10,822.50
Alabama (AL)	3	4	3	\$3,475.00
Arkansas (AR)	10	42	35	\$41,750.00
California (CA)	35	221	197	\$188,200.00
Colorado (CO)	12	100	93	\$46,700.00
Connecticut (CT)	4	24	22	\$28,850.00
Florida (FL)	24	99	90	\$68,592.00
Georgia (GA)	8	20	14	\$18,300.00
Iowa (IA)	8	15		\$15,820.00
Idaho (ID)	3	7		\$6,480.00
Illinois (IL)	3	5	4	\$3,325.00
Indiana (IN)	7	34	21	\$24,350.00
Kansas (KS)	9	27	26	\$16,470.00
Louisiana (LA)	32	155	146	\$90,540.00
Massachusetts (MA)	41	227	201	\$160,783.00
Maryland (MD)	6	35	33	\$17,002.50
Maine (ME)	2	5	4	\$4,050.00
Michigan (MI)	4	10	9	\$4,253.00
Minnesota (MN)	7	27	22	\$23,580.00
Missouri (MO)	13	52	42	\$30,400.00
North Carolina (NC)	14	87	75	\$48,185.00
North Dakota (ND)	1	2	1	\$1,400.00
Nebraska (NE)	11	57	50	\$25,525.00
New Jersey (NJ)	4	21	17	\$12,800.00
New Mexico (NM)	3	39	36	\$19,600.00
New York (NY)	8	24	23	\$13,970.00
Ohio (OH)	14	65	62	\$38,460.00
Oklahoma (OK)	5	19	17	\$7,350.00
Oregon (OR)	19	144	107	\$110,467.50
Pennsylvania (PA)	53	287	245	\$195,297.50
Rhode Island (RI)	5	29	27	\$21,000.00
South Dakota (SD)	3	36	33	\$27,100.00
Tennessee (TN)	10	17		\$14,050.00
Texas (TX)	27	85	82	\$103,200.00
Virginia (VA)	28	94	80	\$45,365.00
Vermont (VT)	1	4	3	\$8,000.00
Washington (WA)	18	119	103	\$112,457.50
Wisconsin (WI)	11	45		\$17,357.50
West Virginia (WV)	11	30	28	\$15,625.00
TOTAL	39	480	2,064	\$1,640,953.00

* These are only the 1992 strike force cases in which child labor violations were formally cited and civil money penalties assessed through May 1992. They do not represent the complete results of this 1992 enforcement initiative; other cases with violations are still being investigated or developed.

This information will be made available to sensory impaired individuals upon request. Voice Phone: 202-523-8305, TDD Message Referral Phone: 1-800-326-2577.

The text of this release is available from the Department of Labor electronic bulletin board, LABOR NEWS. User costs are limited to a toll call. LABOR NEWS Phone: 202-523-4784; 1200 or 2400 BAUD; Parity: None; Data Bits = 8; Stop Bit = 1; Voice phone: 202-523-7343.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: JANET L. ELLIS
PHONE: (202) 523-8305

USDL: 92-359
FOR RELEASE: 11:00 a.m.
Wednesday, June 10, 1992

LABOR AND JUSTICE DEPARTMENTS SIGN AGREEMENT TO STRENGTHEN ENFORCEMENT OF IMMIGRATION AND LABOR LAWS

The U.S. Department of Labor's Employment Standards Administration (ESA) and the Justice Department's Immigration and Naturalization Service (INS) today announced the signing of a Memorandum of Understanding (MOU) to improve coordination by the two agencies of enforcement of employers sanctions provisions of the Immigration and Nationality Act.

"Employers have a legal obligation to make sure they only hire those individuals who are authorized to work in this country. The use of illegal workers can undercut wages and working conditions and eliminate crucial job opportunities for legal workers who need employment," said Secretary of Labor Lynn Martin.

The MOU was signed Tuesday by the department's Assistant Secretary for Employment Standards Cari Dominguez and INS Commissioner Gene McNary.

Under the terms of the MOU, the two agencies will cross-train their staffs to better identify potential violations of the laws each enforces, and streamline information sharing and enforcement referrals at the field office level. The agreement also authorizes ESA investigators to issue warning notices to employers found in violation of their employment eligibility verification, or I-9 obligations.

Assistant Secretary Dominguez said, "This agreement will strengthen our efforts in areas where our agencies have mutual interests and shared responsibilities. The MOU will help employers abide by all employment standards that affect the workplace and protect the working men and women of this country. This cooperative effort should also help reduce the potential for employment discrimination."

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: CHERYL W. PALUMBO
PHONE: 202-523-8743

USDL: 92-379
FOR RELEASE: Immediate
Thurs., June 17, 1992

MCCULLOCH APPOINTED NEW YORK OFCCP REGIONAL DIRECTOR

Carmen Otero McCulloch today was appointed Regional Director for the Office of Federal Contract Compliance Programs (OFCCP) in New York.

McCulloch directs the enforcement of regulations prohibiting discrimination by federal contractors and requiring affirmative action in the employment and advancement of workers with disabilities, women, minorities, Vietnam-era veterans and certain veterans with disabilities.

The New York Region includes New Jersey, New York, Puerto Rico and the Virgin Islands.

McCulloch began her federal career in 1972 as the Federal Women's Program coordinator and Hispanic Employment Program coordinator for the Department of Health, Education and Welfare in Philadelphia. Three years later, she worked for the Veterans Administration Contract Compliance Program.

In 1977, McCulloch joined Pan American World Airways as manager of affirmative action for JFK Airport. Six years later, after a series of promotions, McCulloch became director of personnel development and equal employment opportunity. After leaving Pan American, she worked as a consultant in the personnel field.

McCulloch joined OFCCP in 1985 as New York's assistant regional director, and in 1990, became New York's regional director.

Born and raised in San Juan, Puerto Rico, she received her law degree from the University of Puerto Rico. After moving to New York, she joined a community service group offering free legal advice and representation to the poor.

McCulloch is a member of the National Association of Female Executives, the National Latinos Caucus, and founding member of the first chapter of the League of United Latin American Citizens in Philadelphia. For her success in revitalizing the U.S. Department of Labor's Federal Hispanic Employment Program, she received the Special Achievement Award for Public Service, and in 1991, received the coveted Woman of the Year award of the Young Women's Christian Association.

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CONTACT: CHERYL W. PALUMBO
PHONE: (202) 523-8743

USDL: 92-397
FOR RELEASE: Immediate
Thurs., June 25, 1992

**PHILADELPHIA ELECTRIC CO. AGREES TO \$300,000 EQUAL EMPLOYMENT
OPPORTUNITY SETTLEMENT WITH U.S. LABOR DEPARTMENT**

The U.S. Labor Department's Office of Federal Contract Compliance Programs (OFCCP) today signed an agreement with the Philadelphia Electric Company (PECO) for a back pay settlement of \$300,000 to 10 qualified minority applicants not tested for meter reader positions at the company.

The agreement is the result of a compliance review which began January 7, 1991, by the Philadelphia OFCCP office, according to Virginia Harper, district director.

The compliance review alleged that by failing to administer a qualification test uniformly to all applicants, PECO did not conform with Executive Order 11246 in the hiring of minorities for entry-level positions. Executive Order 11246 requires that federal contractors guarantee equal employment opportunity without regard to race, sex, religion, national origin, disability, or Vietnam-era veteran status.

Though PECO does not admit any violation of the Executive Order, the company has agreed to test those minority applicants who had not been tested, and to hire the first 10 who pass the test and are otherwise qualified.

OFCCP is part of the Labor Department's Employment Standards Administration.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: CHERYL W. PALUMBO
PHONE: (202) 523-8743

USDL: 92-428
FOR IMMEDIATE RELEASE:
Thurs., July 2, 1992

LABOR SECRETARY MARTIN SIGNS ORDER APPROVING USAIR'S \$1.8 MILLION SETTLEMENT IN MINORITY HIRING DISCRIMINATION CASE

Labor Secretary Lynn Martin has signed an order approving a consent decree agreed to by USAir, a successor to Piedmont Aviation, Inc. The decree provides relief to a class of minority pilot and flight attendant applicants denied jobs by Piedmont during the period 1984 to 1988. The order was signed June 30.

Under the consent decree, \$150,000 in back pay will be divided among up to 92 flight attendants, and \$1,650,000 in back pay will be divided among up to 42 pilots, who were rejected for hire by Piedmont. The back pay total of \$1.8 million is one of the largest settlements obtained by the Office of Federal Contract Compliance Programs (OFCCP) under Executive Order 11246, which prohibits Government contractors from discriminating in employment on the basis of race, sex, national origin or religion.

Back pay will be pro-rated based on the year of application. Preferential consideration for hire will be given to up to 25 flight attendants and up to seven pilots after all USAir personnel presently on furlough have been recalled. Pilots hired pursuant to the decree will receive retroactive seniority for pay, benefit and furlough purposes. USAir will also provide an adjusted seniority date to an eighth pilot who was rejected by Piedmont, but subsequently hired by USAir.

The Labor Department's Office of Federal Contract Compliance Programs filed a complaint on April 15, 1988, alleging that Piedmont discriminated against minority applicants for pilot and flight attendant positions. After its merger with Piedmont, USAir was substituted as the party defendant in August 1989.

The Office of Federal Contract Compliance Programs is part of the Department's Employment Standards Administration.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: JANET L. ELLIS
PHONE: (202) 523-8305

USDL: 92-536
FOR RELEASE: Immediate
Wednesday, August 19, 1992

DEPARTMENT OF LABOR ISSUES FINAL RULES TO EXEMPT UPPER LEVEL PUBLIC MANAGERS FROM OVERTIME PAYMENTS

The Department of Labor today published a final rule under the Fair Labor Standards Act that could save state and local governments possibly billions of dollars in overtime payments for government managers and professionals. This new rule modifies the law's exemption from federal minimum wage and overtime requirements for executive, administrative and professional employees in the public sector.

Secretary of Labor Lynn Martin said, "This final rule will help avoid potentially massive financial liabilities faced by some state and local governments. These liabilities could substantially aggravate the fiscal crises faced by some of these governments and could have led to extended furloughs, even layoffs, of public sector employees."

Martin continued, "While this rule does not address all the concerns raised by public sector employers, it goes a long way in providing much needed relief. In addition, the department is seeking legislation that it believes is critically needed to offer some relief to private sector firms and will address past liabilities that may have accrued prior to this final rule."

The department has addressed this problem prospectively by revising the "salary basis" requirement for the public sector. In particular, the department has changed its rules to provide that an otherwise exempt public sector employee who is paid according to a pay system that requires the use of paid leave -- and, when leave is not used or is exhausted, reduces the employee's pay for absences of less than a day -- will not be disqualified from exemption.

This rule leaves all other aspects of the salary basis test intact, as well as the related duties tests, which also must be met in order for the exemption to be available.

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The department's rule change also addresses situations where state and local governments face financial difficulties requiring employee furloughs. To do this, the rule provides that deductions from pay for an employee for absences due to a budget-required furlough will not disqualify the "salary basis" of pay except in the workweek in which the deductions occur.

An earlier proposed rule, which was intended to address past liabilities that may have accrued because of this situation has been withdrawn by the department based on a determination that the law does not specifically authorize retroactive rulemaking.

This new rule supersedes an interim final rule published Sept. 6, 1991.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: CHERYL W. PALUMBO
PHONE: (202) 523-8743

USDL: 92-549
FOR RELEASE: Immediate
Tuesday, Aug. 25, 1992

**ROBERTS DAIRY COMPANY AGREES TO \$316,000 SEX DISCRIMINATION
SETTLEMENT WITH U.S. LABOR DEPARTMENT**

Roberts Dairy Company has agreed to pay more than \$316,000 in back wages to as many as 63 women as part of a sex discrimination settlement.

The U.S. Labor Department's Office of Federal Contract Compliance Programs (OFCCP) began legal action against Roberts' Omaha plant in 1989, alleging it had denied jobs to qualified women on the basis of sex since April 1983.

Also under the agreement, issued Aug. 13, the women will be offered jobs with seniority retroactive to the date they first applied to Roberts.

Teamsters Local 554 approved the retroactive seniority provisions and signed the agreement. With input from Local 554, Roberts has agreed to conduct annual sexual harassment awareness training at its Omaha plant.

OFCCP, part of the Department's Employment Standards Administration, is responsible for enforcing Executive Order 11246, which prohibits government contractors from discriminating in employment on the basis of race, color, religion, sex, and national origin.

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EMPLOYMENT STANDARDS ADMINISTRATION

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USDL: 92-606

FOR RELEASE: IMMEDIATE
Thurs., Sept. 17, 1992

SECRETARY MARTIN HONORS CONTRACTORS FOR OUTSTANDING PROGRAMS TO DIVERSIFY THE WORKFORCE AND TO SHATTER THE GLASS CEILING

Secretary of Labor Lynn Martin today honored 13 federal contractors and one contractor association for their demonstrated commitment to equal employment opportunity.

Martin praised the winners, stating, "Building a diverse workforce makes good business sense. Presenting the Opportunity 2000 and EVE Awards gives us an excellent chance to say, 'Well done,' and it provides an opportunity for these employers to act as role models."

Westinghouse Electric Corporation, Pittsburgh, Pa., received the Secretary's Opportunity 2000 Award for its innovative programs to shatter the glass ceiling, assist disadvantaged students and help individuals with disabilities. Each year, this award recognizes one federal contractor that has implemented a comprehensive equal employment opportunity effort which anticipates the demographics of the next century's workforce.

Secretary Martin saluted Westinghouse for recognizing the importance of cultural diversity, while ensuring that its workforce is equipped with the skills needed for the changing technological demands of the marketplace.

The Exemplary Voluntary Effort (EVE) Awards, initiated in 1983 by the Office of Federal Contract Compliance Programs (OFCCP), recognize outstanding organizations that implement innovative and original plans to increase job opportunities for minorities, women, individuals with disabilities and Vietnam-era veterans. This year, Jaime Ramon, OFCCP director, presented the EVE Awards to 12 companies and one association:

Bechtel-Parsons Brinckerhoff-- Boston, Mass.
Glaxo, Inc.-- Research Triangle Park, N.C.
Hoechst Celanese Chemical Group-- Pasadena, Tex.

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Lawrence Livermore National Laboratories-- Livermore, Calif.
McNeil Pharmaceutical Company-- Dorado, Puerto Rico
Motorola, Inc.-- Schaumburg, Ill.
Pfizer, Inc.-- New York, N.Y.
Saturn Corporation-- Spring Hill, Tenn.
Society Corporation-- Cleveland, Ohio
United Technologies Corporation-- Hartford, Conn.
Walsh Construction Company-- Trumbull, Conn.
Wisconsin Gas Company-- Milwaukee, Wis.

Region III Industry Liaison Group-- Philadelphia Region

Ramon said, "We are pleased to recognize employers that have implemented innovative programs in the work place. Companies can show what they are doing to compete for the 'best and brightest' in a rapidly changing workforce...they can lead by example."

OFCCP is responsible for enforcement of Executive Order 11246 and other laws that prohibit discrimination by federal contractors, and require effort to employ and advance minorities, women, workers with disabilities and Vietnam-era veterans.

Opportunity 2000 Award Winner:

Westinghouse Electric Corporation, Pittsburgh, Pa.

--Implements programs to develop women and minorities for managerial and executive positions; assists disadvantaged students, through such programs as Adopt-A-School, Minority Work/Study, and Westinghouse/Education Partnership; and, invents devices to help disabled individuals gain greater independence, through its Volunteers for Medical Engineering program.

EVE Award Winners:

Bechtel-Parsons Brinckerhoff-- Boston, Mass.

--In collaboration with community-based organizations and community colleges, employs and trains inner-city minorities and women for construction jobs for the Boston Central Artery - Third Harbor Tunnel 10-year Mega-project.

Glaxo, Inc.-- Research Triangle Park, N.C.

--Recruits women and minorities for careers with opportunities for advancement into executive and corporate levels of management, and for jobs in computer science, mathematics and physical science.

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Hoechst Celanese Chemical Group-- Pasadena, Tex.

--Implements programs for employee involvement, family and work life, human resource planning, and training; maintains an Equality Council to advise plant managers about diversity issues; and, assists disadvantaged students, through the Gulf Coast Alliance for Minority Engineers, two Adopt-A-School programs and a strong summer internship program.

Lawrence Livermore National Laboratories-- Livermore, Calif.

--Recruits and trains women and minorities, especially Native Americans, for careers in science, engineering and mathematics; and, assists students, through the Lawrence Livermore Elementary School Science Study of Nature program, Summer and Transfer Achievement Readiness program, and Science Education Academy of the Bay Area program.

McNeil Pharmaceutical Company-- Dorado, Puerto Rico

--Trains women and minorities for managerial and executive careers; creates employment opportunities for individuals with disabilities; and, assists students in two local schools, through counseling and a company sponsored library.

Motorola, Inc.-- Schaumburg, Ill.

--Trains women and minorities for executive positions; trains employees through Motorola University courses ranging from basic skills to advanced engineering; and the Minority Scholarship/ Internship Investment Program recruits women, minorities, and individuals with disabilities.

Pfizer, Inc.-- New York, N.Y.

--Recruits women and minorities for sales representative positions; retains a local workforce in one of New York's poorest neighborhoods, through an urban renewal project that includes low and middle-income housing, the renewal of the local subway station and bilingual schooling; and, encourages employees to volunteer in the community.

Saturn Corporation-- Spring Hill, Tenn.

--Recruits women and minorities for all levels of its workforce, resulting in a significant increase in the number of minorities and women at the new facility; and, encourages workforce diversity through its video, "The New South 89," depicting women and minorities working for Saturn.

Society Corporation-- Cleveland, Ohio

--Recruits, trains and promotes women and minorities for professional, managerial, and upper-level executive positions; and, its Corporate Minority Program develops skills of talented minorities.

United Technologies Corporation-- Hartford, Conn.

--Using 25 universities, recruits minorities for positions throughout the company; sponsors internship programs with five predominantly Hispanic or historically Black colleges; and, through its Connecticut Pre-Engineering Program recruits inner-city middle and high school students for after-school and summer programs to prepare them for college study in engineering and science.

Walsh Construction Company-- Trumbull, Conn.

--Recruits and trains women, minorities, persons with disabilities and Vietnam-era veterans for the Oakland, Cal., Federal Building Mega-project; contributes to several community-based referral and advocacy organizations to promote the use of women and minorities on the project; and, conducts workforce diversity awareness training.

Wisconsin Gas Company-- Milwaukee, Wis.

--Recruits, trains and promotes women into nontraditional occupations; through its Mentoring Program teams senior employees with less experienced women and minorities to prepare them for advancement; identifies talented women and minorities for development for future managerial and executive positions; hires and trains up to 20 minority students each year for trade positions; and, participates in "Set-Up," a year-round program showing students the importance of academic achievement, regular attendance and good behavior.

Region III Industry Liaison Group-- Philadelphia Region

--A federal contractor association comprised of 25 independent companies. It supports employment opportunities for minorities, women, individuals with disabilities and Vietnam-era veterans; and through its Directory for Affirmative Action and Work Force Diversity assists the member companies in planning and implementing effective recruitment programs, explains how to handle discrimination charges, provides sources for training videos and government regulations, and assists in training diversity, disadvantaged business development and glass ceiling initiatives.

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This information will be made available to sensory impaired individuals upon request. Voice Phone: 202-523-8743, TDD Message Referral Phone: 1-800-326-2577.

The text of this release is available from the Department of Labor electronic bulletin board, LABOR NEWS. User costs are limited to a toll call. LABOR NEWS Phone: 202-523-4784 (As of Sept. 25, 1992: 202-219-4784); 1200 or 2400 BAUD; Parity: None; Data Bits = 8; Stop Bit = 1; Voice phone: 202-523-7343 (As of Sept. 25, 1992: 202-219-7343).

News

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Office of Information

Washington, D.C. 20210

EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: CHERYL PALUMBO
OFFICE : 202/523-8743

USDL: 92-617
FOR RELEASE: IMMEDIATE
Tues., Sept. 22, 1992

COCA-COLA FOODS AGREES TO \$787,000 EQUAL EMPLOYMENT OPPORTUNITY SETTLEMENT WITH U.S. LABOR DEPARTMENT

Coca-Cola Foods, Leesburg, Fla., has agreed to pay up to \$787,000 in back wages to 20 individuals with disabilities in an equal employment opportunity settlement with the U.S. Labor Department. This amount will be reduced based on outside earnings of the individuals involved.

Following a routine compliance review begun Jan. 8, 1991, the department's Office of Federal Contract Compliance Programs (OFCCP) alleged that, during 1989 and 1990, Coca-Cola Foods rejected 26 applicants, some Vietnam-era veterans. The rejections were based on medical reasons not job-related, such as high blood pressure or prior back surgery. Pre-employment medical examinations revealed such conditions.

While not admitting any violations, Coca-Cola Foods agreed to pay back wages to 20 of the applicants and offer them and two others entry level jobs with benefits and seniority retroactive to the date each applied. The company also agreed to ensure that applicants with disabilities receive careful consideration for employment and are not screened out for reasons unrelated to the job.

"We are pleased when settlements like this are reached, because they demonstrate our commitment to enforcement of federal equal employment opportunity laws," said Carol Gaudin, OFCCP's regional director, Atlanta.

Coca-Cola Foods has a federal contract to supply orange juice to military bases.

OFCCP, part of the department's Employment Standards Administration, is responsible for enforcing Executive Order 11246 and other laws requiring federal contractors to guarantee equal employment opportunity without regard to race, sex, religion, color, national origin, disability or Vietnam-era veteran status.

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This information will be made available to sensory impaired individuals upon request. Voice phone: (202) 523-8130; TDD phone: (202) 523-6677; TDD message referral: 1-800-326-2577.

The text of this release is available from the Department of Labor electronic bulletin board, LABOR NEWS. User costs are limited to a toll call. LABOR NEWS Phone: 202-523-4784 (As of Sept. 25, 1992: 202-219-4784); 1200 or 2400 BAUD; Parity: None; Data Bits = 8; Stop Bit = 1; Voice phone: 202-523-7343 (As of Sept. 25, 1992: 202-219-7343).

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: CHERYL PALUMBO
PHONE: 202/219-8743

USDL: 92-643
FOR IMMEDIATE RELEASE
Tues., Oct. 6, 1992

TWO FEDERAL CONTRACTORS DEBARRED FOR FAILURE TO COMPLY WITH EQUAL EMPLOYMENT OPPORTUNITY LAWS

The U.S. Department of Labor has debarred two Puerto Rico manufacturers from bidding on federal contracts for their failure to comply with equal employment opportunity laws.

Disposable Safety Wear, Inc. and Puerto Rico Safety Equipment Corp., subsidiaries of Eastco Industrial Safety Corp. of Huntington Station, N.Y., repeatedly failed to develop recruitment plans for women, disabled workers and Vietnam-era veterans for employment at their Aguadilla, Puerto Rico facility.

The companies violated federal regulations that require good faith efforts to recruit minorities, women, disabled workers and Vietnam veterans. Regulations violated include Executive Order 11246, Section 503 of the Rehabilitation Act of 1973 and Section 4212 of the Vietnam-era Veterans Readjustment Assistance Act of 1974.

Labor Secretary Lynn Martin signed the debarment order September 29, following a hearing before an administrative law judge. Martin stressed that debarment, the most serious of OFCCP's sanctions, is seldom used because most contractors cited comply with the federal EEO laws.

"When there is repeated non-compliance, we will invoke the full force and effect of the law and not hesitate to do so," Martin said.

The Office of Federal Contract Compliance Programs (OFCCP) has attempted to bring the companies into compliance since December 1988, when they signed an agreement with OFCCP that included a commitment by the companies to develop written recruitment plans. The companies also agreed to take specific steps to implement the plans and to submit progress reports to OFCCP. OFCCP reports that all commitments were violated.

Disposable Safety Wear, Inc. and Puerto Rico Safety Equipment Corp. manufacture protective clothing for industrial use. They can petition for reinstatement once all violations have been corrected and reports submitted to OFCCP.

OFCCP is part of the Labor Department's Employment Standards Administration.

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This information will be made available to sensory impaired individuals upon request. Voice Phone: 202-219-8130, TDD Message Referral Phone: 1-800-326-2577.

The text of this release is available from the Department of Labor electronic bulletin board, LABOR NEWS. User costs are limited to a toll call. LABOR NEWS Phone: 202-219-4784; 1200 or 2400 BAUD; Parity: None; Data Bits = 8; Stop Bit = 1; Voice phone: 202-219-7343.

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Washington, D.C. 20210

EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Cheryl Palumbo/Bob Cuccia
PHONE: 202/219-8743

USDL: 92-666
FOR IMMEDIATE RELEASE
Tues., Oct. 13, 1992

MILWAUKEE FENCE CO. DEBARRED FOR FAILURE TO COMPLY WITH EQUAL EMPLOYMENT OPPORTUNITY LAWS

Milwaukee Fence Co., Milwaukee, Wis., has been debarred from federal contract involvement for repeated violations of federal equal employment opportunity laws, the U.S. Labor Department announced today.

The company failed to develop programs to recruit and promote minorities, women, workers with disabilities and Vietnam-era veterans, according to Executive Order 11246, Section 503 of the Rehabilitation Act of 1973 and Section 4212 of the Vietnam-era Veterans Readjustment Assistance Act of 1974.

Labor Secretary Lynn Martin signed the debarment order Oct. 6, following a hearing before an administrative law judge. The order cancels all existing federal contracts and prohibits Milwaukee Fence from bidding on future contracts.

"Milwaukee Fence's conduct reflects its callous disregard for the purposes of the equal employment opportunity laws and unfortunately immediate, significant sanctions must occur," Martin stated in the debarment order.

The Office of Federal Contract Compliance Programs (OFCCP) has attempted to bring Milwaukee Fence into compliance since March 1989, when company officials signed an agreement that included Milwaukee Fence's commitment to develop written recruitment plans. At that time Milwaukee Fence had also agreed to take specific steps to implement the plans and to submit progress reports to OFCCP. All commitments made to the government were violated.

"The department prefers reaching agreement with companies, but will take the necessary steps to protect working men and women," said Jaime Ramon, director of OFCCP.

-more-

Milwaukee Fence Co. installs fences on federal government contracts. It can petition for reinstatement once all violations have been corrected and reports submitted to OFCCP.

This is third debarment order executed by the department in recent weeks.

OFCCP is part of the Labor Department's Employment Standards Administration.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: CHRISTINE BROOKS
OFFICE: (202) 219-6191 or
ROBERT A. CUCCIA
(202) 219-8743

USDL: 92-681
FOR RELEASE: IMMEDIATE
Wed., Oct. 21, 1992

NEW U.S. LABOR DEPARTMENT INITIATIVE RESULTS IN 35 FORMER INJURED FEDERAL WORKERS BEING REHIRED; 125 IN THE PIPELINE

A new Labor Department initiative, the Assisted Reemployment Project (ARP), has resulted in alternate jobs for 35 federal employees who have been collecting workers' compensation, Secretary of Labor Lynn Martin announced today.

The Assisted Reemployment Project is a four-year pilot program which subsidizes public or private employers that hire injured federal employees whose federal department or agency could not accommodate their disability or injury. The subsidy gradually decreases over time, reducing the cost of disability payments.

According to Martin, another 125 claimants are in various stages of the program, authorized by Congress in the FY 1992 budget. The program includes a variety of incentives to get injured federal employees back to work.

The Labor Department's Office of Workers' Compensation Programs (OWCP) ensures that all potential job offers made through the project are vocationally and medically suitable. Other efforts for the employees include job searches, negotiations with potential employers and financial assistance to the reemploying agency or private sector employer.

The ultimate aim, according to Martin, "is to eventually replace the compensation benefit, wholly or partially, with wages earned from productive work. Equally important is the human satisfaction realized by an individual who wants to work and contribute, and who is able to achieve that goal."

Cari M. Dominguez, assistant secretary of labor for employment standards, says the program reduces rising benefits costs and restores the lost productivity of injured workers. "The Labor Department hopes employers will realize the many benefits of hiring and retaining motivated, injured workers," said Dominguez. "In many cases, all that is needed is assistance

in evaluating and matching jobs with skills, training in new technology and better access to work places." Dominguez oversees the project.

Federal workers compensation totaled \$1.6 billion for 1991, most for wage replacement and medical benefits. OWCP, which administers the Federal Employees' Compensation Act (FECA), provides compensation benefits to civilian employees of the U.S. Government for disabilities and injuries sustained on the job.

FECA also pays for vocational rehabilitation services. These services result in more than 1,400 new job placements each year. Still, about half of FECA's current vocational rehabilitation participants remain unemployed and of these, a significant number ready to work remain on compensation because suitable jobs cannot be found for them.

Dominguez said taxpayer savings are not the only significant long-term gain from this new project. "We are not just dealing with placement figures," Dominguez said. "Each placement represents a motivated human being who has been helped to realize his or her goals of returning to work, some after overcoming significant odds and undergoing therapy and training programs."

One typical case involved a former U.S. Postal Service employee who was injured in 1985 and lost some use of his right arm. A single parent, he used vocational rehabilitation placement services to contact more than 200 employers in his area over a five-month period without success. Then, in February 1992, his case was placed in the Assisted Reemployment Project. Negotiations led to a job offer from another federal agency.

Government agencies and private businesses desiring more information on this program should request the brochure entitled, "Assisted Reemployment Wage Subsidies: What it Means for Employers" from the U.S. Department of Labor (ESA), 200 Constitution Avenue, NW, Rm.C-4325, Washington, DC 20210.

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This information will be made available to sensory impaired individuals upon request. Voice Phone: 202/219-8130; TDD Message Referral Phone: 1/800/326-2577.

The text of this release is available from the Department of Labor electronic bulletin board, LABOR NEWS. User costs are limited to a toll call. LABOR NEWS Phone: 202/219-4784; 1200 or 2400 BAUD; Parity: None; Data Bits = 8; Stop Bit =1; Voice Phone: 202/219-7343.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Bob Cuccia/Cheryl Palumbo
OFFICE: 202/219-8743

USDL: 92-724
FOR IMMEDIATE RELEASE
Tues., Nov. 10, 1992

SECRETARY OF LABOR'S ORDER MERGING AGENCIES APPEARS IN FEDERAL REGISTER

Responsibility for the programs administered by the U.S. Labor Department's Office of Labor-Management Standards (OLMS) has been reassigned to the assistant secretary for employment standards (ESA). The order appears in today's Federal Register.

Secretary of Labor Lynn Martin announced the reorganization on Sept. 4, 1992. Under Secretary's Order 9-92, which became effective Nov. 1, 1992, OLMS remains a distinct program headed by a director. ESA's other programs include the Wage and Hour Division, the Office of Federal Contract Compliance Programs, and the Office of Workers' Compensation Programs.

The OLMS merger is designed to improve both efficiency and economy. OLMS is responsible for carrying out the programs and activities mandated by the Labor-Management Reporting and Disclosure Act of 1959, Section 7120 of the Civil Service Reform Act of 1978, Section 1017 of the Foreign Service Act of 1980, Section 1209 of the Postal Reorganization Act of 1970, and Executive Order 12800, regarding Notification of Employee Rights Concerning Payment of Union Dues and Fees.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: CHERYL PALUMBO
OFFICE: 202/219-8743

USDL: 92-736
FOR IMMEDIATE RELEASE
Tues., Nov. 17, 1992

ICD DRIVES, INC. AGREES TO \$1 MILLION EQUAL EMPLOYMENT
OPPORTUNITY SETTLEMENT WITH U.S. LABOR DEPARTMENT

ICD Drives, Inc. of Grand Island, N.Y. has agreed to pay nearly \$1 million to 12 women and minorities in an equal employment opportunity settlement with the U.S. Department of Labor. ICD Drives was formerly Emerson Industrial Controls, a division of Emerson Electric Co.

Following a compliance review begun in March 1990, the department's Office of Federal Contract Compliance Programs (OFCCP) alleged that between Oct. 1, 1988, and Sept. 30, 1989, Emerson Industrial Controls discriminated against 26 applicants for operative semi-skilled jobs on the basis of race or gender.

While not admitting any guilt, ICD Drives, which acquired Emerson Industrial Controls in July 1991, agreed to pay approximately \$1 million in back wages and benefits to 12 of the rejected applicants. ICD also agreed to offer them and the remaining 14 applicants employment as positions become available. The back pay amount could be reduced by the amount of outside earnings of the 12 recipients.

Emerson also allegedly failed to fully implement a federally required program to recruit women and minorities; ICD Drives agreed to implement such a program. Emerson Electric Co. provides electronic equipment to the Department of Defense.

"OFCCP is fully committed to eliminating discrimination in the workforces of federal government contractors," said OFCCP director Jaime Ramon.

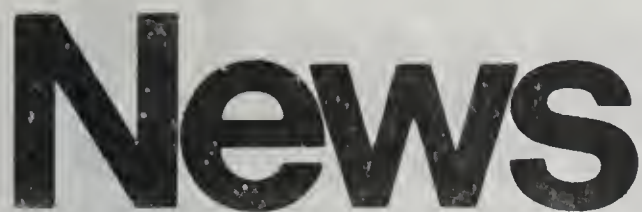
OFCCP, part of the department's Employment Standards Administration, is responsible for enforcing Executive Order 11246, as amended, and other laws requiring federal contractors

and subcontractors to guarantee equal employment opportunity regardless of race, sex, color, religion, national origin, disability or Vietnam-era veteran status.

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The text of this release is available from the Department of Labor electronic bulletin board, LABOR NEWS. User costs are limited to a toll call. LABOR NEWS Phone: 202-219-4784; 1200 or 2400 BAUD; Parity: None; Data Bits = 8; Stop Bit = 1; Voice phone: 202-219-7343.

This information will be made available to sensory impaired individuals upon request. Voice Phone: 202-219-6060, TDD Message Referral Phone: 1-800-326-2577.



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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: CHERYL PALUMBO
OFFICE: 202/219-8743

USDL: 92-735
FOR IMMEDIATE RELEASE
Tues., Nov. 17, 1992

NORTHROP CORP. AGREES TO \$720,235 SETTLEMENT WITH U.S. LABOR DEPARTMENT

Northrop Corporation, a Los Angeles-based aerospace manufacturer, has agreed to pay \$720,235 to 21 job applicants in an equal employment opportunity settlement with the U.S. Department of Labor. They had applied for work at Northrop's Pico Rivera B-2 bomber facility.

Following a compliance review begun in October 1991, the department's Office of Federal Contract Compliance Programs (OFCCP) alleged that between November 1989 and November 1991, Northrop, a Department of Defense contractor, rejected 19 qualified applicants on the basis of non-job related medical disabilities. A pre-employment medical screening system automatically rejected the applicants without verifying that their medical conditions would prevent them from doing production, cafeteria and office work.

While not admitting any guilt, Northrop agreed to pay the applicants \$717,124 in back wages and offer them employment at either the firm's Pico Rivera or Palmdale facilities.

During the same period, Northrop also allegedly discriminated in the compensation of two women who performed the same work as their equally qualified male co-workers. Northrop agreed to pay them \$3,111 in back wages.

"OFCCP is fully committed to eliminating discrimination in the workforces of federal government contractors," said OFCCP director Jaime Ramon. "Two important functions of our office are to ensure that workers with disabilities are not denied employment if they are fully qualified and able to perform the work, and that there is equal pay for equal work across race and gender lines."

-more-

OFCCP, part of the department's Employment Standards Administration, is responsible for enforcing Executive Order 11246, as amended, and Section 503 of the Rehabilitation Act of 1972, among other laws, requiring federal contractors and subcontractors to guarantee equal employment opportunity regardless of race, sex, color, religion, national origin, disability or Vietnam-era veteran status.

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The text of this release is available from the Department of Labor electronic bulletin board, LABOR NEWS. User costs are limited to a toll call. LABOR NEWS Phone: 202-219-4784; 1200 or 2400 BAUD; Parity: None; Data Bits = 8; Stop Bit = 1; Voice phone: 202-219-7343.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: CHERYL PALUMBO
OFFICE: 202/219-8743

USDL: 92-790
FOR IMMEDIATE RELEASE
Mon., Dec. 28, 1992

ITT FLUID PRODUCTS CORP. REACHES \$775,000 EQUAL EMPLOYMENT OPPORTUNITY AGREEMENT WITH U.S. LABOR DEPARTMENT

ITT Fluid Products Corp. has agreed to pay up to \$775,000 to 19 women and minorities in an equal employment opportunity settlement, the U.S. Labor Department announced today.

The department's Office of Federal Contract Compliance Programs (OFCCP) conducted a compliance review of ITT Fluid Products' Statesboro, Ga. plant. The plant manufactures pipe fittings for the U.S. Air Force.

Following the review, OFCCP alleged that in 1984, ITT Fluid Products discriminated against qualified applicants for semi-skilled positions on the basis of race and gender. During the investigation, ITT Fluid Products was purchased by Grinnell Corp.

ITT Fluid Products, without admitting to any violation of federal anti-discrimination laws, agreed to pay back wages, less interim earnings, to 19 rejected applicants. Three of the rejected applicants have been employed since the agency's compliance review. A search including the use of newspaper advertisements will be made by ITT Fluid Products to locate the remaining affected class members.

From the list of those located, Grinnell Corp. consented to fill job vacancies at the Statesboro plant until either 16 qualified workers are hired or 48 good faith offers are made. In addition to the back pay, those hired will receive 21 months of retroactive seniority and service credits, with accelerated training and advancement.

"We are pleased that OFCCP and these companies have reached an agreement," said OFCCP Director Jaime Ramon. "OFCCP is fully committed to eliminating discrimination in the workforces of federal government contractors."

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OFCCP, part of the department's Employment Standards Administration, is responsible for enforcing Executive Order 11246 and other laws requiring federal contractors to guarantee equal employment opportunity without regard to race, gender, religion, color, national origin, disability or Vietnam-era veteran status.

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This information will be made available to sensory impaired individuals upon request. Voice phone: (202) 219-6060. TDD message referral phone: 1-800-326-2577.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: CHERYL PALUMBO
OFFICE: 202/219-8743

USDL: 93-04
FOR IMMEDIATE RELEASE
Wed., Jan. 6, 1993

STOUFFER FOOD CORPORATION AGREES TO \$800,000 EQUAL EMPLOYMENT OPPORTUNITY SETTLEMENT WITH U.S. LABOR DEPARTMENT

Stouffer Food Corp. has agreed to pay \$803,000 in back wages to qualified applicants in an equal employment opportunity settlement, the U.S. Labor Department announced today.

The settlement follows a compliance review of the company's Gaffney, S.C. facility, conducted by the department's Office of Federal Contract Compliance Programs (OFCCP). OFCCP alleges that during 1985 and 1986, Stouffer discriminated against qualified applicants on the basis of race and obesity. The company regarded obesity as a disability.

Stouffer will divide \$500,000 among up to 167 minorities, and as many as 45 applicants with disabilities will share the remaining \$303,000.

Stouffer, without admitting to any violation of federal anti-discrimination laws, further agreed to hire 11 minorities and six applicants with disabilities related to obesity from the list of affected class members. Those who remain on the job for at least four weeks will receive an additional \$5,000 payment.

Stouffer supplies frozen food to Department of Defense commissaries and exchanges.

"We are pleased that a reasonable settlement was reached in this case," said OFCCP Director Jaime Ramon. "OFCCP will continue to focus on employment practices that indiscriminately exclude persons merely regarded as disabled."

OFCCP, part of the department's Employment Standards Administration, enforces Executive Order 11246 and other laws requiring federal contractors to guarantee equal employment opportunity without regard to race, gender, religion, color, national origin, disability or Vietnam-era veteran status.

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This information will be made available to sensory impaired individuals upon request. Voice Phone: 202-219-6060, TDD Message Referral Phone: 1-800-326-2577.

The text of this release is available at no cost to caller from the Department of Labor electronic bulletin board, LABOR NEWS, at 1-800-597-1221 or locally at 202-219-4784. 300, 1200 or 2400 BAUD; Parity: None; Data Bits = 8; Stop Bit = 1. Voice phone: 202-219-7343.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Cheryl Palumbo
OFFICE: (202) 219-8743

USDL: 93-23
FOR RELEASE: IMMEDIATE
Fri., Jan. 15, 1993

FARMERS NATIONAL BANK OF ANNAPOLIS, MD., SIGNS \$136,400 EEO SETTLEMENT WITH U.S. DEPARTMENT OF LABOR

Farmers National Bank, Annapolis, Md., has agreed to pay \$136,400 in back wages and immediate salary increases to 13 female employees. The agreement is part of an equal employment opportunity settlement announced today by the U.S. Labor Department.

A compliance review, begun on Aug. 20, 1992, by the department's Office of Federal Contract Compliance Programs (OFCCP), revealed that the bank's compensation practices were unfair to women. The review also revealed Farmers National's lack of effort to recruit minorities and disabled workers.

Without admitting to any violation of federal EEO laws, Farmers National, a federal depository, agreed to pay \$88,200 in back wages and \$48,200 in immediate salary increases to 13 women in managerial positions. The bank also agreed to correct the women's pay disparities and to make specific good faith efforts to recruit both minorities and persons with disabilities.

"OFCCP's analysis demonstrated that women employed in positions with equal or greater duties and responsibilities than their male counterparts were adversely affected by the method used by the bank to determine compensation," said OFCCP Director Jaime Ramon.

OFCCP, a division of the department's Employment Standards Administration, is responsible for enforcing Executive Order 11246 and other laws which prohibit federal contractors from discriminating in employment based on race, color, gender, religion, national origin, disability and Vietnam-era veteran status. These laws also require contractors to make good faith efforts to hire women and minorities.

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EMPLOYMENT STANDARDS ADMINISTRATION OFFICE OF LABOR-MANAGEMENT STANDARDS

CONTACT: KAY OSHEL
OFFICE: (202) 219-7373

USDL: 93-60
FOR RELEASE: IMMEDIATE
Wednesday, Feb. 17, 1993

LABOR DEPARTMENT PROPOSES TO EXTEND EFFECTIVE DATE OF REVISED UNION FINANCIAL REPORTING FORMS

The Labor Department proposes to extend for one year the effective date of revisions that require greater detail in union financial reports. The rules affect all unions covered by the Labor-Management Reporting and Disclosure Act (also known as the Landrum-Griffin Act).

The proposed extension means that unions would not be required to use the revised forms until Jan. 1, 1995.

The new financial reporting rules, announced Oct. 30, 1992, require allocation of union expenditures among functional categories such as contract negotiation and administration, organizing, strikes and political activities. They also permit the use of the accrual method of accounting for completing the forms, raise the annual receipts limit for filing the simplified Form LM-3 from \$100,000 to \$200,000, and provide for a new, abbreviated annual financial report, Form LM-4, for small unions.

The rules currently have an effective date of Dec. 31, 1993 and require the use of the new reporting forms for reporting years that begin on Jan. 1, 1993. However, with the Friday, Feb. 19 publication in the Federal Register, the Department proposes to extend the rules' effective date to Dec. 31, 1994. The public will have 30 days to submit comments on the proposal.

"Extending the effective date of the final rules would allow unions as well as the department additional time to adjust to the new reporting requirements," Secretary of Labor Robert B. Reich said. "It would also provide me an opportunity to review the changes to determine whether they best serve the American work force."

-more-

Copies of the proposed rule may be obtained from the U.S. Department of Labor, Employment Standards Administration, Office of Labor-Management Standards, Room N-5605, 200 Constitution Avenue, N.W., Washington, D.C. 20210; telephone (202) 219-7373.

This information will be made available to sensory impaired individuals upon request. Voice Phone: (202) 219-7373, TDD Message Referral Phone: 1-800-326-2577.

The text of this release is available at no cost to caller from the Department of Labor electronic bulletin board, LABOR NEWS, at 1-800-597-1221 or locally at 202-219-4784. 300, 1200 or 2400 BAUD; Parity: None; Data Bits = 8; Stop Bit = 1. Voice phone: 202-219-7343.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Robert Cuccia
Cheryl Palumbo
OFFICE: 202/219-8743

USDL: 93-90
FOR RELEASE: IMMEDIATE
Wed., March 10, 1993

**FAMILY AND MEDICAL LEAVE ACT PROPOSED RULEMAKING PUBLISHED IN
FEDERAL REGISTER**

A Notice of Proposed Rulemaking for the Family and Medical Leave Act of 1993 (FMLA) appears in today's Federal Register.

The U.S. Department of Labor is publishing this notice to solicit early public comment on issues to be addressed in rulemaking implementing the FMLA, Public Law 103-3. A subsequent rulemaking will be published as an interim final rule inviting comments on regulatory provisions to implement the act.

Labor Secretary Robert B. Reich said, "The Family and Medical Leave Act is an important early accomplishment of the Clinton Administration, with long-lasting benefits for American families and U.S. employers. The enactment of this bill marks the beginning of a new era of concern for and commitment to the working people of this country."

Reich noted how quickly Congress acted on this Administration priority. The bill was passed Feb. 4, 15 days after the Inauguration. The President signed it into law Feb. 5.

The FMLA, which becomes effective on Aug. 5, 1993, covers employers of 50 or more employees. If a collective bargaining agreement exists on that date, FMLA takes effect when the agreement terminates or 12 months after enactment (Feb. 5, 1994), whichever is earlier.

"The Family and Medical Leave Act," the Secretary pointed out, "is a good example of the change the Clinton Administration will direct in support of American families and workers. Moreover, our nation's businesses will benefit from the law, which will help us achieve more competitive, caring, high-performance workplaces."

FMLA grants eligible employees up to 12 weeks of unpaid, job-protected leave per year -- with continued health insurance coverage -- for the birth or adoption of a child or for the serious illness of an employee or an immediate family member. To be eligible for FMLA leave, an employee must have worked for a covered employer for at least one year, and for at least 1,250 hours over the previous 12 months. Medical certifications may be required to support leave requests for serious health conditions.

FMLA's enforcement procedures parallel those of the federal Fair Labor Standards Act, and will be enforced by the Wage and Hour Division of the department's Employment Standards Administration.

Comments must be submitted by March 31, 1993, to the Acting Administrator, Wage and Hour Division, U.S. Department of Labor, Room S-3502, 200 Constitution Ave., N.W., Washington, D.C. 20210. Comments may be faxed to 202/219-5122. Commenters who wish to receive notification of receipt of comments should send a self-addressed, stamped post card.

A summary of the new law is attached.

Attachment

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The text of this release is available at no cost to caller from the Department of Labor electronic bulletin board, LABOR NEWS, at 1-800-597-1221 or locally at 202-219-4784. 300, 1200 or 2400 BAUD; Parity: None; Data Bits = 8; Stop Bit = 1. Voice phone: 202-219-7343.

This information will be made available to sensory impaired individuals upon request. Voice phone: (202) 219-6060. TDD message referral phone: 1-800-326-2577.

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Medical Insurance Coverage...

- ▶ For the duration of FMLA leave, the employer must maintain the employee's medical insurance coverage under any "group health plan," under the conditions coverage would have been provided if the employee had continued working.
- ▶ In some cases, the employer may recover premiums paid for maintaining an employee's health coverage if the employee fails to return to work from FMLA leave.

Unlawful Acts by Employers...

FMLA makes it unlawful for any employer to:

- ▶ interfere with, restrain, or deny the exercise of any right provided under FMLA;
- ▶ discharge or discriminate against any person for opposing any practice made unlawful by FMLA; and,
- ▶ discharge or discriminate against any person because of involvement in any proceeding under or related to FMLA.

Miscellaneous Provisions...

- ▶ Similar provisions of the law apply to federal and congressional employees.
- ▶ Special rules apply to employees of local education agencies.
- ▶ Employers must post a notice approved by the Secretary of Labor explaining rights and responsibilities under FMLA. Any employer who willfully violates this requirement may be subject to a fine of up to \$100 for each separate offense.
- ▶ A "Commission on Leave" will conduct a comprehensive study of existing and proposed policies relating to leave, and submit a report to Congress within two years.

FMLA Does Not...

- ▶ affect any federal or state law prohibiting discrimination;
- ▶ supersede any state or local law which provides greater family or medical leave rights;
- ▶ diminish an employer's obligation to provide greater leave rights under a collective bargaining agreement or employment benefit plan, nor may the rights provided under FMLA be diminished by such agreement or plan; nor,
- ▶ discourage employers from adopting policies more generous than required by FMLA.

Enforcement...

- ▶ The Secretary of Labor is authorized to investigate and attempt to resolve complaints of violations, and may bring an action against an employer in any federal or state court of law.
- ▶ FMLA's enforcement procedures parallel those of the federal Fair Labor Standards Act. The FMLA will be enforced by the department's Wage and Hour Division.
- ▶ An eligible employee may bring a civil action against an employer for violations.
- ▶ Employers who act in good faith and have reasonable grounds to believe their actions did not violate FMLA may have any damages reduced to actual damages at the discretion of a judge.

For more information, please contact the nearest office of the Wage and Hour Division, listed in most telephone directories under U.S. Government, Department of Labor, Employment Standards Administration.

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Family and Medical Leave Act of 1993

The Family and Medical Leave Act of 1993 (FMLA) becomes effective on August 5, 1993, though special rules apply where a collective bargaining agreement is in effect. The Secretary of Labor must prescribe regulations implementing the Act in early June.

The FMLA requires employers of 50 or more employees within a 75 mile area to provide up to 12 weeks of unpaid, job-protected leave to "eligible" employees for certain family and medical reasons. Employees are "eligible" if they have worked for a covered employer for at least one year, and for 1,250 hours over the previous 12 months.

Reasons for Taking Leave...

An employer must grant unpaid leave to an eligible employee for one or more of the following reasons:

- ▶ for the care of the employee's child (birth, or placement for adoption or foster care);
- ▶ for the care of the employee's spouse, son or daughter, or parent, who has a serious health condition; or,
- ▶ for a serious health condition that makes the employee unable to perform their job.

At the employee's or employer's option, certain kinds of paid leave may be substituted for unpaid leave.

Advance Notice and Medical Certification...

The employee may be required to provide advance leave notice and medical certification.

- ▶ In certain cases, the employee ordinarily must provide 30 days advance notice when the leave is "foreseeable."
- ▶ An employer may require medical certification to support a request for leave because of a serious health condition.
- ▶ An employer may also require medical certification if the employee is unable to return from leave because of a serious health condition.

Intermittent or Reduced Leave...

- ▶ An employee may take intermittent or reduced leave to reduce the usual number of hours per day or work week.
- ▶ Intermittent or reduced leave schedules are subject to employer approval unless medically necessary.

Job and Benefits Protection...

- ▶ Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms. Employers may deny restoration to certain highly compensated employees, but only if necessary to avoid substantial and grievous economic injury to the employer's operation.
- ▶ The use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave.
- ▶ The use of unpaid FMLA leave cannot affect the exempt status of bona fide executive, administrative and professional employees under the Fair Labor Standards Act.

more...



EMPLOYMENT STANDARDS ADMINISTRATION
OFFICE OF LABOR-MANAGEMENT STANDARDS

CONTACT: KAY OSHEL
OFFICE: (202) 219-7373

USDL: 93-100
FOR RELEASE: IMMEDIATE
Monday, March 22, 1993

LABOR DEPARTMENT ISSUES FINAL RULE REVOKING
BECK EXECUTIVE ORDER REGULATIONS

The Labor Department today issued a final rule revoking regulations that implemented an executive order affecting federal contractors and their employees.

Executive Order 12800 required federal contractors to post notices informing workers of rights under the Supreme Court's decision in Communications Workers v. Beck concerning the use of dues for purposes unrelated to a union's collective bargaining activities.

Regulations enforcing the posting requirement were issued by the Labor Department in November 1992. President William Clinton revoked the order Feb. 1.

In revoking the order, President Clinton said it was "distinctly antiunion as it did not require contractors to notify workers of any of their other rights protected by the National Labor Relations Act, such as the right to organize and bargain collectively."

Labor Secretary Robert B. Reich described the Beck posting requirement as a "burden without a benefit." Reich said it "tilted the playing field of labor-management relations unfairly, and it placed an unwarranted burden on federal contractors."

The final rule issued by the department today provides that any contract provisions that require posting the employee notice will no longer be enforced by the Department of Labor. As the employee notice is no longer required, any existing copies employers have in stock should be destroyed. The department also suggests removing any notices already posted.

Copies of the final rule may be obtained from the U.S. Department of Labor, Employment Standards Administration, Office of Labor-Management Standards, Room N-5605, 200 Constitution Avenue, NW, Washington, DC 20210; telephone (202) 219-7373.

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EMPLOYMENT STANDARDS ADMINISTRATION
Wage and Hour Division

CONTACT: Bob Cuccia/Cheryl Palumbo
OFFICE : 202/219-8743

USDL: 93-112
FOR RELEASE: IMMEDIATE
Fri., April 2, 1993

LABOR DEPARTMENT ENTERS AGREEMENT WITH MAJOR GARMENT MANUFACTURER

Secretary of Labor Robert Reich today announced that a prominent Los Angeles garment manufacturer, Z Cavaricci Inc., has agreed to police its contractors and help eliminate wage abuses in the apparel industry.

"This is another important milestone on the road we have taken to eliminate the word 'sweatshop' from the history of the American garment industry," Reich said. "I am proud to have this major manufacturer on our team in the drive to eliminate wage abuse in the sewing shops of America."

Z Cavaricci joins Guess?, Inc., which signed the first voluntary compliance program agreement with the Labor Department's Wage and Hour Division last August. The agreements require that manufacturers monitor their sewing contractors and see that workers who produce garments bearing their labels are paid fairly and in compliance with the federal Fair Labor Standards Act (FLSA).

Z Cavaricci manufactures men's and women's sportswear sold in upscale department stores and specialty shops across the nation. It has annual gross sales of about \$100 million.

The agreement will immediately affect approximately 30 contractors who employ about 1,000 garment workers in fabric cutting, sewing and pressing for Z Cavaricci labels. Wage-hour investigators previously uncovered numerous wage violations among Z Cavaricci contractors, and the firm has paid \$43,700 in back wages to workers because of violations by their sub-contractors.

The FLSA requires payment of \$4.25 per hour minimum wage, overtime pay after 40 hours in a workweek and no garment work at home unless approved by the Wage and Hour Division. It also restricts the employment of children.

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One of the key elements in the Labor Department's ongoing apparel industry initiative is the vigorous enforcement of a FLSA provision referred to as the hot goods section. If a contractor is found to have made goods in violation of the law, the government can obtain a court order banning their shipment out of state until contract employees have been paid all back wages due. The potential for costly shipping delays has persuaded many manufacturers contacted by the department to make sure contract employees are paid correctly.

Z Cavaricci will train its contractors on FLSA's requirements and employ an independent auditor to ensure compliance. Most contractors and their workers are foreign nationals who speak English as a second language. The Labor Department has provided copies of the FLSA and related posters in Korean, Chinese and Spanish.

The Wage and Hour Division is part of the department's Employment Standards Administration.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Cheryl Palumbo
OFFICE : 202/219-8743

USDL: 93-128
FOR RELEASE: IMMEDIATE
Wed., April 14, 1993

**G.E. APPLIANCES REACHES \$273,000 EQUAL EMPLOYMENT OPPORTUNITY
SETTLEMENT WITH U.S. LABOR DEPARTMENT**

G.E. Appliances, Decatur, Ala., has agreed to pay more than \$273,000 to 73 qualified applicants in an equal employment opportunity (EEO) settlement with the U.S. Labor Department.

The settlement follows a compliance review begun in June 1992 by the department's Office of Federal Contract Compliance Programs (OFCCP). Following its review, OFCCP alleged that from Jan. 1, 1991, through Dec. 31, 1991, G.E. discriminated against qualified minority and female applicants for assembler positions. G.E.'s affirmative action plan also was alleged to have reporting deficiencies.

While not admitting to any violation of federal EEO laws, G.E. agreed to equally divide \$273,226 among 73 affected applicants, and to offer 12 assembler positions to five black females, five white females and two black males chosen from the list of affected class members. In addition, G.E. will consult an affirmative action list of the remaining class members when there are openings for entry level assemblers.

"We are pleased that a reasonable settlement has been reached," said OFCCP Acting Director Len Biermann. "OFCCP is strongly committed to assuring equal employment opportunity for all qualified applicants regardless of gender or race."

G.E.'s Decatur facility is part of the appliance division which supplies refrigerators and other appliances to the federal government.

Part of the department's Employment Standards Administration, OFCCP is responsible for enforcing Executive Order 11246 and other laws requiring federal contractors to guarantee equal employment opportunity without regard to race, gender, religion, color, national origin, disability or Vietnam-era veteran status.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Robert Cuccia
OFFICE: (202) 219-8743

USDL: 93-158
FOR RELEASE: IMMEDIATE
Mon., May 3, 1993

IBP, INC., OWES BACK WAGES TO NEARLY 24,000 WORKERS

Nearly 24,000 workers at 11 Iowa Beef Packers (IBP), Inc. plants in six midwestern states are due back overtime pay following a U.S. District Court ruling in Kansas City, Kansas. The second phase of the trial will determine the amount of the back wages.

Tedrick A. Housh, Jr., regional solicitor for the U.S. Department of Labor in Kansas City, said the exact amount of back wages will be determined by Judge Earl E. O'Connor during the second phase of the Labor Department's litigation. Housh predicted the evidence would probably support a finding well in excess of \$10 million.

The U.S. Department of Labor brought suit against IBP, Inc., under the Fair Labor Standards Act (FLSA) of 1938, as amended, alleging the workers should have been compensated for work prior to and immediately after leaving their work stations. IBP, Inc. has required its employees to spend time walking to and from the knife room, waiting to have their knives sharpened, and for spending time cleaning equipment at their work stations.

In his decision issued last Thursday, which covered the period April 1, 1986 through Aug. 1, 1988, Judge O'Connor also enjoined IBP, Inc. from withholding back pay and from future violations of the FLSA.

Charles E. Pugh, acting administrator of the Wage and Hour Division in Washington, D.C., said that this was a major victory not only for workers in the meatpacking industry, but also for workers throughout the country.

"Although IBP, Inc. complied with Occupational Safety and Health Administration (OSHA) regulations, the judge found the firm skirted the FLSA mandates, taking advantage of their employees," Pugh said. "American workers can share in the triumph of this federal court decision."

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IBP, Inc. is one of the largest meat packing conglomerates in the country, operating 11 packaging facilities throughout the midwest. These non-union plants conducted slaughter, carcass production, and beef and hog processing operations. The plants identified in the Labor Department's litigation were located in Emporia and Holcomb, Kansas; Madison and West Point, Nebraska; Luverne, Minnesota; Denison, Storm Lake, Council Bluffs, and Columbus Junction, Iowa; Joslin, Illinois; and Boise, Idaho.

In his ruling, Judge O'Connor emphasized that the time workers spent changing into and out of work clothes did not qualify for the additional pay under the FLSA. However, he ruled that workers required to wear special protective gear should have been compensated for the time it took to put on the gear and the time spent cleaning knives and the protective equipment.

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*Telecommunications Device for the Deaf

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EMPLOYMENT STANDARDS ADMINISTRATION
WAGE AND HOUR DIVISION

CONTACT: Bob Cuccia
Cheryl Palumbo
OFFICE: (202) 219-8743

USDL: 93-174
FOR RELEASE: Immediate
Wednesday, May 12, 1993

WEST VIRGINIA DEPARTMENT OF HIGHWAYS PAYS MORE THAN \$795,000 IN
BACK WAGES TO 330 EMPLOYEES

The West Virginia Department of Highways has paid \$795,344 in back wages and interest to 330 employees, the largest recovery ever secured by the U.S. Labor Department under the Fair Labor Standards Act (FLSA) in that state.

A consent judgment signed May 7 and filed in U.S. District Court for the Southern District of West Virginia, Charleston, resolves a complaint filed in July 1990 by the U.S. Labor Department against the agency for alleged violations of FLSA overtime provisions. The investigation was conducted by the Charleston area office of the department's Wage and Hour Division.

The case involved payment for travel time by Highway Department employees who were monitoring repair and construction work done by state highway contractors.

Enforced by the department's Wage and Hour Division, the FLSA sets the federal minimum wage of \$4.25 per hour and generally requires employers to pay overtime at one-and-one-half times the regular hourly rate after 40 hours in any workweek. The law also requires employers to keep adequate time and payroll records.

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EDITORS NOTE: Civil Action No. 2:90:0709 (S.D.W.Va.)

Available to sensory impaired individuals upon request.
(TDD) Phone 1-800-927-9273.



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EMPLOYMENT STANDARDS ADMINISTRATION
OFFICE OF LABOR-MANAGEMENT STANDARDS

CONTACT: KAY OSHEL
OFFICE: (202) 219-7373

USDL: 93-175
FOR RELEASE: IMMEDIATE
Wednesday, May 12, 1993

LABOR DEPARTMENT POSTPONES EFFECTIVE DATE FOR REVISED UNION
FINANCIAL REPORTING FORMS

The Labor Department today issued a final rule postponing for one year the effective date of revisions to annual financial reporting requirements and forms under the Labor-Management Reporting and Disclosure Act (also known as the Landrum-Griffin Act). The rule affects all private sector and federal employee unions.

The effective date of regulations issued last October is postponed to Dec. 31, 1994, which means that unions are not required to use the revised forms until Jan. 1, 1995. Until then, unions must file their reports on the preexisting forms.

The final rule issued today cites problems encountered by unions and the department in implementing the revised reporting forms as one reason for the postponement. The department is also reevaluating the October final rules to determine whether modification or rescission of some or all of the revisions may be appropriate.

The new financial reporting rules require allocation of union expenditures among functional categories such as contract negotiation and administration, organizing, strikes, and political activities. They also permit the use of the accrual method of accounting for completing the forms; raise the annual receipts limit for filing the simplified Form LM-3 from \$100,000 to \$200,000; and provide for a new, abbreviated annual financial report, Form LM-4, for small unions.

Copies of the final rule postponing the effective date for the new reporting requirements may be obtained from the U.S. Department of Labor, Employment Standards Administration, Office of Labor-Management Standards, Room N-5605, 200 Constitution Avenue, NW, Washington, DC 20210; telephone (202) 219-7373.

This information will be made available to sensory impaired individuals upon request. Voice Phone: (202) 219-7373, TDD Message Referral Phone: 1-800-326-2577.

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Washington, D.C. 20210

EMPLOYMENT STANDARDS ADMINISTRATION

USDL: 93-176

CONTACT: ROBERT A. CUCCIA
PHONE: (202) 219-8743

FOR RELEASE: Immediate
Fri., May 14, 1993

LABOR SECRETARY REICH APPOINTS INDUSTRY COMMITTEE TO REVIEW MINIMUM WAGE RATES IN AMERICAN SAMOA

Secretary of Labor Robert B. Reich today appointed six members to a committee that will review current minimum wage rates for all industries in American Samoa covered by the Fair Labor Standards Act (FLSA), the federal wage and hour law.

The committee hearing, which begins on June 7, 1993, in Pago, American Samoa, is open to the public.

The committee consists of two members each representing the public sector, employers and employees. Jerome Ross, who will also serve as chair, and Taesali'ali'i F.S. Lutu will serve as public representatives. Lealaifuaneua P. Reid and James McCarthy will serve as employer representatives. Serving as employee representatives will be John Zalusky and Moalwitele Tuufuli.

The FLSA provides that minimum wage rates in American Samoa may be established by special industry committees at rates below the \$4.25 per hour required on the mainland.

After holding public hearings to review local economic conditions, including hearing testimony from interested parties, the committee will determine whether Samoan minimum wage rates - currently ranging from \$2.00 to \$3.24 an hour - should be increased. The committee cannot recommend that wage rates be decreased.

Based on its findings, the committee will recommend to the Labor Department the highest rate for each industry that will not substantially curtail employment and will not give industries in the territory a competitive advantage over similar mainland businesses. These recommendations will be published in the Federal Register and take effect 15 days after publication.

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According to the most recent information available to the department, there are more than 9,300 public and private employees in American Samoa protected by FLSA, including most of about 3,500 employees of the American Samoan government. Tuna fish canning is the major private industry, employing more than 4,100 workers in two canneries.

The FLSA provides for minimum wage, overtime pay, recordkeeping and child labor standards and is enforced by the Wage and Hour Division of the Department's Employment Standards Administration.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Bob Cuccia/Cheryl Palumbo
OFFICE: 202/219-8743

USDL: 93-228
FOR RELEASE: Immediate
Monday, June 21, 1993

HOLLY FARMS FOODS TO PAY \$750,000 IN DISCRIMINATION SETTLEMENT

Holly Farms Foods, Inc. has agreed to pay \$750,000 in back wages to 82 qualified job applicants at the company's poultry processing plant in Center, Texas, as part of an equal employment opportunity settlement with the U.S. Department of Labor.

Following an investigation, the department's Office of Federal Contract Compliance Programs (OFCCP) alleged that Holly Farms violated the Rehabilitation Act of 1973. Between June 1988 and January 1991, Holly Farms conducted discriminatory pre-employment physical examinations that screened out physically qualified job applicants based on perceived physical disabilities.

At the time of the investigation, Holly Farms was under contract with the U.S. Department of Agriculture to provide chicken for the school lunch program. Without admitting to any violation, Holly Farms has agreed to discontinue the practice.

"OFCCP is strongly committed to assuring equal employment opportunity for all qualified applicants," said OFCCP Director Leonard Biermann. "Capable disabled workers deserve the same opportunities as those without disabilities."

Part of the department's Employment Standards Administration, OFCCP is responsible for enforcing several laws requiring federal contractors to guarantee equal employment opportunity without regard to disability, race, gender, religion, color, national origin or Vietnam-era veteran status.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Bob Cuccia/Cheryl Palumbo
OFFICE: 202/219-8743

USDL: 93-277
FOR RELEASE: Immediate
Friday, July 23, 1993

UNIVERSITY OF WISCONSIN-MILWAUKEE AGREES TO \$2.2 MILLION
SETTLEMENT WITH U.S. LABOR DEPARTMENT

The University of Wisconsin-Milwaukee has agreed to pay \$2.2 million in back pay and other benefits to 15 women in an equal employment opportunity (EEO) settlement with the U.S. Department of Labor.

"We are encouraged by the systemic changes the University will be making as a major part of its commitment to assuring equal employment opportunity," said Labor Secretary Robert B. Reich. "We hope that the constructive path the University is taking in response to our findings can be a model for other institutions of higher learning throughout the country."

In addition to paying back wages, the University has agreed to implement a wide range of affirmative action measures to ensure that minorities and women are given equal opportunity and treatment in all personnel decisions affecting them. The University will provide all employees with mandatory EEO sensitivity training on affirmative action, workforce diversity, maternity-related policies and sexual harassment.

A mentoring program will provide female and minority employees with additional support, and the seven-year probationary period for untenured faculty members will be extended to allow for childbearing and the meeting of other family responsibilities without jeopardizing prospects for promotion or tenure.

The University's commitments also include an assessment of teaching loads, research support and allocation of resources and committee assignments with appropriate corrective actions where disparities are identified.

The department's Office of Federal Contract Compliance Programs (OFCCP) conducted a compliance review of the University beginning in February 1991. Following its investigation, OFCCP alleged that the University condoned a hostile working environ-

-more-

ment of sexual harassment toward women. Between 1979 and 1991, the University's decisions for tenure and promotion in faculty positions for the School of Business Administration, the School of Fine Arts and the Department of English and Comparative Literature were discriminatory against women. The University also failed to take affirmative action to retain women and minorities.

OFCCP is responsible for enforcing Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973 and Section 4212 of the Vietnam-era Veterans Readjustment Assistance Act of 1974, which prohibit discrimination by federal contractors and require affirmative action in the employment and advancement of women, minorities, workers with disabilities, Vietnam-era veterans and certain veterans with disabilities.

OFCCP is a key component of the department's Employment Standards Administration.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Bob Cuccia/Cheryl Palumbo
PHONE: 202/219-8743

USDL: 93-304
FOR RELEASE: IMMEDIATE
WEDNESDAY, JULY 28, 1993

A & P TO PAY \$490,000 CHILD LABOR PENALTY

The Great Atlantic and Pacific Tea Company, Inc. (A & P) has agreed to pay \$490,000 in civil penalties for more than 900 violations of federal child labor law, Secretary of Labor Robert B. Reich announced today.

The settlement, based on Labor Department investigations of stores in six states, is one of the largest in recent years. In addition to the civil penalties, the company has agreed, in an injunction filed in U.S. District Court, to fully comply with the child labor provisions of the Fair Labor Standards Act (FLSA) at all of its stores trading nationwide as A & P.

"Jobs can be invaluable training for our young people, but they should never have to work in settings or at tasks that threaten their health or safety," said Reich. "This agreement will eliminate some potentially dangerous situations and help ensure that A & P's young employees' jobs are learning -- and not life threatening -- experiences."

According to the department's Wage and Hour Division, since 1987 A & P employed more than 800 minors in violation of the child labor law. A & P allowed minors under the age of 18 to operate, load, unload or clean hazardous equipment, primarily scrap-paper balers, but also meat-cutters and power-dough mixers. A & P employed 14- and 15-year-olds during prohibited times and in excess of permissible hours and employed 12- and 13-year-olds.

Among the violations, 375 minors age 17 and under loaded, unloaded and operated scrap-paper balers, dangerous machines used to crush cardboard boxes into tight masses. Many of these minors performed one or more of the baling functions repeatedly.

The department found violations at 106 A & P stores: 59 in New York state; 43 in New Jersey; and others in Vermont, Georgia and South Carolina. In addition, violations were found at three subsidiaries of A & P: 17 Waldbaum's stores in Westchester and Rockland counties, N.Y.; two Future Store locations in Atlanta and Duluth, Ga.; and a Family Mart in Montgomery, Ala.

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Newly-appointed Wage and Hour Administrator Maria Echaveste said, "We are pleased we have been able to resolve this major child labor case in a way that A & P will be taking positive measures to ensure that child labor laws are fully complied with in all its stores. We hope that A & P will be setting a model for other retailers soon which encourages safe and beneficial employment opportunities for young workers who need jobs."

Under the child labor provisions of the FLSA, 14- and 15-year-olds may work outside of school hours under restricted conditions: no more than three hours on a school day with a limit of 18 hours in a school week; eight hours on a non-school day with a limit of 40 hours in a non-school week; and not before 7 a.m. or past 7 p.m. during the school year. From June 1 through Labor Day, the evening limit is 9 p.m. Hours worked for 16- and 17-year-olds are not restricted.

Youths under 14 may work only if their jobs are exempt from child labor standards or not covered by the FLSA. Exempt work includes delivering newspapers to consumers; performing in theatrical, motion picture or broadcast productions; and working in a business owned by parents of the minor, except in manufacturing or hazardous occupations.

Part of the Labor Department's Employment Standards Administration, the Wage and Hour Division enforces, among other laws, the FLSA, which provides federal standards for minimum wage, overtime pay, recordkeeping and child labor.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Cheryl Palumbo
OFFICE: 202/219-8743

USDL: 93-315
FOR RELEASE: IMMEDIATE
Wednesday, August 4, 1993

FAMILY AND MEDICAL LEAVE ACT TAKES EFFECT AUGUST 5

The Family and Medical Leave Act of 1993 (FMLA) takes effect Thursday, Aug. 5, 1993, for most eligible employees. FMLA will provide more than 45 million U.S. workers greater flexibility in balancing work and family responsibilities when they must attend to family or serious medical needs.

Since publishing regulations implementing FMLA in the Federal Register on June 4, the department has been conducting an extensive public education outreach campaign to make employers and employees aware of the new law and to explain their rights and responsibilities when it takes effect.

"August 5 marks an important turning point in our efforts to promote family-friendly, high-performance workplaces, which are essential to our ability to compete effectively in a global economy," Labor Secretary Robert B. Reich said.

"The Family and Medical Leave Act is the first piece of legislation to become law under President Clinton. The Administration understands the day-to-day lives of working families, and has demonstrated its commitment to families by ensuring job security and continued health insurance coverage for workers when they need to meet family responsibilities," said Reich.

FMLA covers all public sector employers and private sector employers of 50 or more employees. The new law grants eligible employees up to 12 weeks of unpaid, job-protected leave per year -- with health insurance coverage maintained during the leave -- for the birth or adoption of a child or for the serious illness of the employee or an immediate family member. Accrued paid leave may be substituted for unpaid family and medical leave in certain circumstances. Upon return from FMLA leave, an employee must be reinstated to his or her original job or an equivalent job with equal pay, benefits and terms and conditions of employment.

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To be eligible for FMLA leave, an employee must have worked for a covered employer for at least a total of 12 months, for at least 1,250 hours over the previous 12 months, and must work at a location where at least 50 employees are employed within 75 miles. Advance notice by employees of the need for FMLA leave is required when it is foreseeable; the employer may require medical certification to support leave requests for serious health conditions.

FMLA does not supersede any state or local law which provides greater family or medical leave protection. It also does not affect any other federal or state law which prohibits discrimination.

FMLA's enforcement procedures parallel those of the federal Fair Labor Standards Act. The act is enforced by the department's Employment Standards Administration Wage and Hour Division.

Wage and Hour Administrator Maria Echaveste said, "We used an unprecedented approach to develop user-friendly FMLA regulations and informational materials, based on extensive communication with all interested parties. We believe this will make implementation of the new law easier for everyone. We will continue to work with all interested parties to assure that FMLA's benefits are realized as soon, and with as little difficulty, as possible."

All covered employers must post a notice informing their employees of their rights under FMLA. Single copies of the notice, which may be reproduced, are available free of charge from local offices of the U.S. Department of Labor's Wage and Hour Division. The act itself, the regulations implementing the act, a fact sheet and a guide to compliance with the act are also available in limited quantities from the department, and may be reproduced.

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This information will be made available to sensory impaired individuals upon request. Voice phone: (202) 219-6060. TDD message referral phone: 1-800-326-2577.



EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Bob Cuccia/Cheryl Palumbo
OFFICE: 202/219-8743

USDL: 93-349
FOR IMMEDIATE RELEASE
Fri., Aug. 20, 1993

MINIMUM WAGE RATES INCREASED FOR AMERICAN SAMOA

Mandatory minimum wage rates for American Samoa will increase effective Sept. 1, 1993, the U.S. Department of Labor announced today.

A special six-member industry committee appointed by Labor Secretary Robert B. Reich met in Pago in June 1993. The committee, composed of two members each from the public sector, employees and employers, reviewed the economic conditions in American Samoa and considered public testimony before it established binding recommendations.

In the chief Samoan industry, tuna canning, two annual increases of 8 cents and 5 cents per hour will raise the required minimum wage rate to \$3.00 per hour effective Sept. 1, 1993, and to \$3.05 per hour effective Sept. 1, 1994.

Minimum wage rates for the other covered industries in the territory will increase by a range of 3 percent to 8 percent effective Sept. 1, 1993 and by another 3 percent to 8 percent one year later. The wage rates for all government employees will increase to \$2.37 per hour effective Oct. 1, 1994.

The industry committee meets biennially to recommend an alternative to the automatic application of the mainland minimum wage rate, and to gradually increase rates to the mainland level without adverse effect to the Samoan economy or to job opportunities. The current mainland minimum wage is \$4.25 per hour.

Authority for this special industry committee procedure is contained in the federal Fair Labor Standards Act, administered by the Wage and Hour Division of the Labor Department's Employment Standards Administration.

Notice of the new American Samoa wage rates was published in the Federal Register on August 17, 1993.

This information will be made available to sensory impaired individuals upon request. Voice Phone: 202-219-6060, TDD Message Referral Phone: 1-800-326-2577.

The text of this release is available from the Department of Labor electronic bulletin board, LABOR NEWS, at 202-219-4784. Callers must pay any toll-call charges. 300, 1200, 2400, 9600 or 14,400 BAUD; Parity: None; Data Bits = 8; Stop Bit = 1. Voice phone: 202-219-7343.

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United States
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Washington, D.C. 20210

EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Bob Cuccia
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USDL: 93-382
FOR RELEASE IMMEDIATE
Thursday, Sept. 9, 1993

LABOR SECRETARY REICH HONORS FEDERAL CONTRACTORS FOR INNOVATIVE WORKFORCE DIVERSITY

Secretary of Labor Robert B. Reich today honored nine federal contractors and one contractor association for their demonstrated commitment to equal employment opportunity and outstanding programs to encourage workforce diversity.

Reich praised the winners recognized at the department's Exemplary Voluntary Effort (EVE) Awards program, saying that they exemplify the American spirit "of rolling up our sleeves and getting on with what has to be done."

Motorola, of Schaumburg, Ill., received the Secretary's Opportunity 2000 Award for training programs that have allowed more women and minorities to assume managerial and executive-level positions. The Opportunity 2000 Award recognizes one federal contractor each year for its comprehensive equal employment opportunity efforts.

In recognizing the award recipients, Reich emphasized that "through these innovative programs the companies have demonstrated vision and the commitment to lead by example in implementing innovations that add to the nation's productivity by developing human resources and more fully utilizing the talents of the nation's increasingly diverse workforce."

"The Department of Labor will continue to work closely with the private sector to encourage companies to adopt advanced workplace practices and encourage more cooperative and innovative relationships between workers and managers. The programs of today's award winners prove that these changes work, and they provide a way for America to compete and win in the world economy," Reich continued.

Reich said that since the beginning of this year, the Labor Department has resolved more than 2,000 cases and reached almost \$15 million in financial settlements with firms that have not upheld their equal employment responsibilities.

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"While we applaud the extraordinary voluntary efforts of the firms we're honoring today," Reich said, "we also intend to strengthen our enforcement programs."

Initiated in 1983 by the Office of Federal Contract Compliance Programs (OFCCP), the EVE Awards program publicly recognizes outstanding organizations that implement innovative plans to increase job opportunities for minorities, women, individuals with disabilities and Vietnam-era veterans.

Leonard Biermann, acting director of OFCCP, presented EVE Awards to eight contractors and one association:

- Consolidated Edison Company of New York, N.Y.
- Dow Corning Corporation, Midland, Mich.
- Falcon Jet Corporation, Little Rock, Ark.
- GTE Telephone Operations, Irving, Texas
- Kraft General Foods, Inc., Northfield, Ill.
- Nabisco Foods Group, East Hanover, N.J.
- Northwestern Mutual Life Insurance Co., Milwaukee, Wisc.
- Temple University, Philadelphia, Pa., and
- Louisiana Liaison Group, New Orleans, La.

OFCCP is responsible for enforcing Executive Order 11246 and other laws that prohibit discrimination by federal contractors and subcontractors and require effort to employ and advance minorities, women, workers with disabilities and Vietnam-era veterans.

Secretary's Opportunity 2000 Award Winner:

Motorola, of Schaumburg, Ill., has established a multi-faceted program to ensure that its workforce reflects the race and gender mix of the communities in which it operates, and that its employees are prepared for the jobs of the next century. Employee training programs range from basic skills to complex technical areas, all designed to increase worker skills and meet corporate needs to remain competitive in world markets.

Motorola's executive and management development programs and diversity training have contributed to a significant increase in the number of women and minorities at the managerial and executive levels. Motorola also provides community support programs such as day care and dependent care, scholarships, internships and outreach programs for minority and female students interested in preparing for careers in science or engineering.

EVE Award Winners:

Consolidated Edison Company of New York, Inc., developed an innovative program of outreach, recruitment and training which has increased employment of women in nontraditional jobs. In partnership with Nontraditional Employment for Women (NEW), a specialized recruitment and training effort was tailored for women to help them qualify for general utility worker positions. The program's support services, such as day care assistance, helped trainees successfully complete the program. The number of women employed in general utility worker jobs increased significantly in 1992 as a result of this training program.

Dow Corning Corporation, of Midland, Mich., increased employment of minorities, women, individuals with disabilities and veterans by placing special emphasis on valuing employee differences as an integral part of its corporate culture. Over a five-year period, the representation of minorities and women in management positions has increased substantially. The corporation's community projects include a video about positive self-image for minority students. Its direct support of area schools includes recognition of outstanding teachers.

Falcon Jet Corporation, of Little Rock, Ark., has an affirmative action program which has enhanced employment opportunities for veterans. Falcon Jet joined forces with the Veterans Administration and the National Alliance of Business to recruit veterans when they leave military service. The skills they gained while in service are applied in specialized technical positions. The corporation's workforce is primarily comprised of veterans, including its officers and managers.

GTE Telephone Operations, of Irving, Texas, instituted a special emphasis management development program for minorities and women to ensure access to upper-level and executive positions. GTE credits its success to valuing diversity as an integral part of its corporate culture. It also supports educational programs in the communities it serves through scholarships and grants to educational institutions.

Kraft General Foods, of Northfield, Ill., implemented recruitment, hiring, training and executive development programs to ensure that valuing diversity is an important aspect of its corporate values, and that the diversity is reflected throughout the company. A special emphasis has been to eliminate the glass ceiling, and the representation of minorities and women at the executive and managerial levels has increased. Its community outreach includes scholarships and internships to promising minority and female students.

Louisiana Industry Liaison Group, of New Orleans, La., founded in the 1980's, is one of the first industry liaison groups. Since its inception, it has promoted affirmative action throughout the area contractor community through an aggressive program of technical assistance and dissemination of educational information materials to federal contractors and subcontractors.

Nabisco Foods Group, of Parsippany, N.J., has instituted programs, including executive development training and family and work life services, to help develop and retain employees. Its executive development program is designed to eliminate the glass ceiling and to put women and minorities in the pipeline for executive and managerial level positions. Additionally, its employee training programs range from basic literacy to specialized technical skills for today's workplace.

Northwestern Mutual Life Insurance Company, of Milwaukee, Wisc., increased its employment of minorities and women at all levels through a number of special human resource development programs. Other programs to enhance employment opportunities include family and work life, outreach and recruitment, cooperative education, scholarships and internships. Its community support includes housing, education and utilization of minority businesses.

Temple University, of Philadelphia, Pa., has varied programs which have resulted in the recruitment, employment and promotion of minorities and women, particularly in tenured faculty positions. The university has an aggressive outreach and recruitment program for faculty positions, and has increased the number of women and minorities in graduate programs through scholarships and financial assistance. It also has been very aggressive in using minority contractors in its extensive building program.

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An audio recording of Secretary Reich on the EVE awards is available on the department's toll-free audio news service at 1-800-877-9002.

This information will be made available to sensory impaired individuals upon request. Voice Phone: 202-219-6060, TDD Message Referral Phone: 1-800-326-2577.

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Office of Information

Washington, D.C. 20210

EMPLOYMENT STANDARDS ADMINISTRATION

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FOR RELEASE: IMMEDIATE
Thursday, Oct. 7, 1993

SOUTHERN MARYLAND HOSPITAL ORDERED TO PAY \$4 MILLION

Southern Maryland Hospital, Inc., of Clinton, Md., has been ordered to pay nearly \$4 million in back wages and damages to 2,561 employees for overtime violations under the federal Fair Labor Standards Act (FLSA).

In an order signed Sept. 28, the U.S. District Court for Maryland ordered compensation of \$1,989,547 in back wages and an equal amount in liquidated damages for a total of \$3,979,094. Southern Maryland Hospital was also ordered to comply with the FLSA's overtime and recordkeeping provisions in the future.

Secretary of Labor Robert B. Reich said the judgment demonstrates the department's commitment to serve and protect the nation's workers. "Enforcement of statutes protecting workers remains one of the department's top priorities," Reich said.

The court order resolves a suit filed by the Labor Department in November 1987, alleging the hospital failed to pay overtime to hourly employees who worked more than 40 hours a week because they worked without pay before and after their designated shifts and during lunch hours. The hospital also failed to pay overtime to some employees because it considered them exempt from the FLSA. The hospital has 60 days from the date of the judgment to file an appeal.

Wage and Hour Administrator Maria Echaveste said, "Resolving the case after years of litigation reflects the department's commitment to assuring that the nation's labor standards are complied with by employers, and that workers receive the law's protection.

"These employees deserve to be paid according to the law and we are pleased that this will finally happen," Echaveste said. She pledged that the department would continue to pursue vigorous enforcement, coupled with an active education program, to ensure compliance.

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The FLSA sets the federal \$4.25-per-hour minimum wage and generally requires employers to pay overtime at time-and-a-half their regular hourly rate after 40 hours in any workweek. It also requires employers to keep adequate time and payroll records. The Wage and Hour Division of the department's Employment Standards Administration enforces the FLSA, among other laws.

The investigation was conducted by the Wage and Hour district office in Baltimore under the direction of district director Travis Campbell and regional administrator James W. Kight.

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Washington, D.C. 20210

EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Dolores Board
OFFICE: 202/219-8743

USDL: 93-466
FOR RELEASE: IMMEDIATE
Wednesday, Oct. 27, 1993

OHIO UTILITY COMPANY AGREES TO PAY NEARLY \$1 MILLION IN BACK PAY TO 121 MINORITY APPLICANTS

Dayton (Ohio) Power and Light Company has agreed to pay nearly \$1 million in back wages to 121 minority applicants who were denied jobs as meter readers due to the results of an employment test.

The utility will pay \$992,200, less interim earnings, to the applicants at its Dayton headquarters and will offer jobs to those not already hired.

"Discrimination at the workplace -- whether at the door or on the job -- simply will not be allowed," said Secretary of Labor Robert B. Reich. "We will continue to insist that laws fundamental to the workplace -- laws that ensure fair treatment for all job applicants and workers -- are consistently enforced."

The conciliation agreement signed by Dayton Power and Light is the result of a review by the Labor Department's Columbus, Ohio Office of Federal Contract Compliance Programs. The review was initiated in November 1992.

The review found that minority applicants were identified as qualified but were screened from hiring consideration because of a test used by the utility that had no formal validity. The department acknowledges Dayton Power and Light's promptness in implementing a validated test which should eliminate the alleged discriminatory hiring practice.

Dayton Power and Light Company did not admit violation of equal employment opportunity laws.

Dayton Power & Light Company is covered as a federal contractor because it supplies electricity to federal agencies in the area.

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OFCCP is charged with ensuring that federal contractors and subcontractors comply with equal employment opportunity and affirmative action requirements in the workplace under Executive Order 11246, the Rehabilitation Act of 1973, and the Vietnam Era Veterans' Readjustment Assistance Act of 1974, by providing equal employment and advancement of workers with disabilities, women, minorities, Vietnam-era veterans and certain veterans with disabilities.

OFCCP is a key component of the department's Employment Standards Administration.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Dolores Board/Cheryl Palumbo
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USDL: 93-522
FOR IMMEDIATE RELEASE
Wed., Nov. 24, 1993

UTAH CONSTRUCTION FIRM DEBARRED FROM FEDERAL CONTRACT WORK FOR
REPEATED EEO VIOLATIONS

The Layton Construction Company of Salt Lake City has been debarred from federal contract work for repeated violations of federal equal employment opportunity (EEO) laws, Secretary of Labor Robert B. Reich announced today. Layton Construction is the first such debarment under the Clinton Administration.

Reich said, "This action is a wake-up call to all federal contractors that compliance with anti-discrimination statutes will be strictly enforced.

"This Administration is committed to protecting workers' rights, and debarment actions will be used more frequently to bring delinquent contractors into compliance with EEO laws," Reich said.

The department's Office of Federal Contract Compliance Programs (OFCCP) has attempted to bring Layton into compliance since May 1990, when company officials signed an agreement that included Layton's commitment to obey federal EEO laws.

In September 1993, OFCCP alleged that Layton Construction still failed to make good faith efforts to recruit and consider women for construction craft jobs and that they failed to hire four qualified women. These actions violated Executive Order 11246 and the terms of the May 1990 conciliation agreement.

The order approving a consent decree between Layton and OFCCP that bars Layton from federal government contract work for at least 90 days appeared in the Nov. 23 Federal Register.

Acting OFCCP Director Leonard Biermann said, "OFCCP will closely monitor compliance with conciliation agreements to ensure that contractors take their obligations in these voluntary agreements seriously."

During the debarment period, Layton may not bid on federal contracts, subcontracts or federally assisted construction contracts. In addition, the company must submit monthly progress

reports to OFCCP demonstrating its compliance with Executive Order 11246 and the terms of the consent decree. If, after 90 days, OFCCP determines that Layton has met its obligations under the decree, the debarment may be lifted.

The consent decree also requires Layton to offer jobs to the four women whom OFCCP alleged were qualified applicants. Layton must pay approximately \$4,000 in back pay to two of the four women identified; the other two women were due no back pay.

OFCCP enforces Executive Order 11246 and other laws requiring federal contractors and subcontractors to provide equal employment opportunity without regard to race, gender, color, religion, national origin, disability or Vietnam-era veteran status. OFCCP is part of the department's Employment Standards Administration.

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This information will be made available to sensory impaired individuals upon request: Voice Phone: 202/219-8743; TDD Message Referral Phone: 1-800-325-2577.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Robert Cuccia/Dolores Board USDL: 93-552
OFFICE: 202/219-8743 FOR IMMEDIATE RELEASE
Fri., Dec. 10, 1993

MILWAUKEE AREA FIRM SIGNS EEO SETTLEMENT TO PAY \$250,000 IN BACK PAY TO 87 WOMEN

The EST Company, Grafton, Wisc., a division of Leggett & Platt, Inc., has agreed to pay \$250,000 in net back pay to 87 women applicants under an equal employment settlement, Secretary of Labor Robert B. Reich announced today.

The conciliation agreement resolves violations uncovered during a compliance review the department's Office of Federal Contract Compliance Programs (OFCCP) began in December 1992.

The Chicago OFCCP regional office alleges that from June 1991 to November 1992, EST discriminated against women applicants despite their timely applications and similar qualifications to men hired.

Reich said the settlement "demonstrates this department's commitment to ensure that our nation's workers are given full access to equal employment opportunity. When employers fail to comply with EEO statutes, it is bad business."

As a federal contractor, EST provides furniture components to federal prisons.

In addition to the net back pay, which is based upon date of application for employment, EST will offer jobs to up to 51 of the best qualified women who express interest in future employment with the company until 13 have been hired.

EST will provide sensitivity awareness training for supervisors as part of its efforts to ensure that women hired are given a fair opportunity to perform satisfactorily without being harassed, retaliated against or intimidated.

OFCCP is a part of the department's Employment Standards Administration. It is responsible for enforcement of federal laws and statutes which prohibit discrimination by federal contractors and subcontractors. Those laws also require affirmative action in the employment and advancement of workers with disabilities, women, minorities, Vietnam-era veterans and certain veterans with disabilities.

This information will be made available to sensory impaired individuals upon request: Voice Phone: 202/219-8743; TDD Message Referral Phone: 1-800-325-2577.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Cheryl Palumbo/Bob Cuccia
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USDL: 94-07
FOR RELEASE: IMMEDIATE
Fri., Jan. 7, 1994

TWO COMPUTER PROCESSING FIRMS TO PAY MORE THAN \$90,000 IN BACK WAGES AND FINES FOR IMMIGRATION LAW VIOLATIONS

Complete Business Solutions, Inc. (CBSI), Farmington Hills, Mich., and Digital Equipment Corp., Boston, Mass., have settled with the U.S. Department of Labor for alleged immigration law violations. CBSI has agreed to pay \$45,000 in civil money penalties (CMPs); Digital has agreed to pay \$19,000 in CMPs and \$26,360 in back wages to 24 employees; and, both have agreed to periods of nonparticipation in the immigration program that was violated.

According to the 1990 amendments of the Immigration and Nationality Act (INA), the Immigration and Naturalization Service (INS) may issue H-1B visas allowing foreign workers in certain specialty occupations to enter and work temporarily in the U.S. Such occupations include computer programmers, engineers, teachers, medical doctors and physical therapists.

Employers must apply for permission to petition for the admittance and employment of H-1B workers and, among other things, must certify that they will pay them at least the prevailing wage rate for the geographical area. The Labor Department's Employment and Training Administration processes the applications; INS issues the visas; and, the Wage and Hour Division enforces the employment conditions of H-1B visa-holders.

Labor Secretary Robert B. Reich said, "These requirements are designed to protect the wages and working conditions of U.S. workers by ensuring that employers of H-1B workers gain no economic advantage from using temporary foreign workers instead of U.S. workers. To this end, we have proposed revised rules to strengthen the labor standards protection under the H-1B program."

Complete Business Solutions, Inc. (CBSI)

In a 1993 investigation of CBSI, the Wage and Hour Division uncovered violations of INA's H-1B provisions affecting about 90

employees of the company. Besides paying \$45,000 in civil money penalties, CBSI has agreed not to participate in the H-1B program for nearly five months.

CBSI also agreed to include in all "labor condition applications" (LCAs) the applicant's job classification and intended work site. CBSI must post notices informing their employees that they may review the LCAs.

CBSI also will increase the number of domestic workers for its 1994 training program by 25 more than participated in its 1993 training program.

Digital Equipment Corporation

In a 1993 investigation of Digital's H-1B program, the Wage and Hour Division found that Digital underpaid 24 H-1B computer programmers. Besides \$19,000 in CMPs, Digital agreed to pay \$26,360 in back wages to the underpaid workers and adjust their salaries to the required wage. Digital also will document in a public access file the system used to establish each H-1B worker's salary.

Additionally, Digital has agreed not to participate in the H-1B program for three months.

Wage and Hour Administrator Maria Echaveste, in commenting on the two settlements, said, "The H-1B program serves to meet the needs of America's employers while protecting the wages and working conditions of America's workers. We are committed to administering the program in a way that satisfies both goals, but every employer who uses the H-1B program should know we will enforce this law vigorously."

Part of the department's Employment Standards Administration, the Wage and Hour Division enforces, among several other labor laws, the H-1B provisions of the Immigration and Nationality Act.

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This information will be made available to sensory impaired individuals upon request. Voice Phone: 202-219-6060, TDD Message Referral Phone: 1-800-326-2577.

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Washington, D.C. 20210

EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Cheryl Palumbo
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USDL: 94-168
For Immediate Release
Thurs., 31, 1994

BLAINE CONSTRUCTION DEBARRED FOR REPEATED EEO VIOLATIONS

Blaine Construction Company of Salt Lake City, Utah, has been debarred from federal contract work for repeated violations of federal EEO laws.

Secretary of Labor Robert B. Reich said, "If organizations choose not to abide by federal EEO laws, they have essentially chosen not to do business with the federal government. For those contractors who disregard the law, we will not hesitate to use swift, responsible measures to ensure compliance."

The department's Office of Federal Contract Compliance Programs (OFCCP) has attempted to bring Blaine into compliance since March 1992, when Blaine officials signed a conciliation agreement indicating their commitment to post job openings with employment service organizations and make good faith efforts to hire women. Under the agreement, Blaine was required to send two reports to OFCCP explaining its continuing attempts to hire women.

Despite repeated requests from OFCCP, Blaine failed to file the reports. Last December, the department filed a complaint against Blaine asking for its debarment from federal contract work for violating the terms of its conciliation agreement. Blaine failed to request a hearing or to respond to the complaint.

The March 9 decision bars Blaine from holding or bidding on federal government contracts for at least 180 days and cancels existing contracts. The debarment order is scheduled to be published in the Federal Register shortly. The department will not reinstate Blaine Construction until Blaine demonstrates its compliance with federal EEO laws.

OFCCP filed its complaint against Blaine under the "Expedited Hearing Regulations," often used in cases of conciliation agreement violation.

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Reich said, "By using the Expedited Hearing Regulations, the department is better able to achieve its goal of swift, responsible enforcement. Cases are decided without the expense of protracted litigation."

Deputy Assistant Secretary for OFCCP Shirley Wilcher said, "Since OFCCP entered into conciliation agreements in more than half of the compliance reviews closed last year, we need to follow through with strong enforcement to show companies that there are real teeth in those agreements. They are not to be taken lightly."

Blaine has been a subcontractor on several federally assisted projects in the Salt Lake City area, including the Veterans Medical Center and the University of Utah.

OFCCP enforces Executive Order 11246 and other laws requiring federal contractors and subcontractors to provide equal employment opportunity without regard to race, gender, color, religion, national origin, disability or Vietnam-era veteran status. OFCCP is part of the department's Employment Standards Administration.

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Washington, D.C. 20210

CONTACT: Mary Meagher
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USDL: 94-172
FOR RELEASE: IMMEDIATE
Fri., April 1, 1994

LABOR SECRETARY CALLS ATTENTION TO TAX BREAK

Labor Secretary Robert B. Reich today called attention to the significant expansion of the Earned Income Tax Credit (EITC) and reminded low-income workers that it isn't too late to benefit from these changes even if they already have filed their 1993 tax returns.

"The expanded Earned Income Tax Credit could put almost \$15 billion in refunds into the pockets of low-income workers this year," Reich said. "Changes in the program also mean that more eligible workers can receive advance EITC payments in their paychecks to ease the burden of meeting day-to-day expenses.

"The Earned Income Tax Credit can give a boost to millions of hard working Americans," Reich said. "But workers, their families and the economy won't benefit if people don't understand the tax program and how to take full advantage of it."

Workers who haven't filed their tax return for 1993 and who qualify for the EITC should make sure they claim any payments to which they are entitled. To qualify, workers must meet all of the following requirements:

- Income must be from a job or self-employment.
- Earned income and adjusted gross income must each be less than \$23,050.
- Workers must have a child they lived with in the U.S. for more than half the year (the whole year for a foster child) in 1993.

Workers who already have filed their 1993 return but did not claim an EITC payment for which they are eligible should file an amended return on IRS Form 1040x. They will receive the full payment to which they are entitled.

Eligible workers who want to receive advance EITC payments as part of their paychecks should fill out the one-page IRS Form W-5 and submit it to their employer. Only workers with children are eligible for advance EITC payments. Advance payments are limited to 60 percent of the credit due the worker. Workers claim the balance of the credit when they file their tax return the following year.

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Reich said the Clinton Administration strongly supports expansion of the Earned Income Tax Credit and has made the expanded program the cornerstone of its welfare reform effort. Under changes effective Jan. 1, 1994, the EITC no longer is limited to families with qualifying children. Also, the income a worker can have and still be eligible for the credit has been increased.

Beginning Jan. 1, 1994, workers can qualify if their earned income and adjusted gross income each is less than \$23,755. Workers between the ages of 25 and 65 who do not have a child may be eligible for the credit. The maximum EITC for 1994 earnings is \$2038 for workers with one child; \$2,528 for a worker with two or more children and \$306 for workers without children.

Information on the Earned Income Tax Credit is available from the Internal Revenue Service toll free by calling 1-800-829-1040.

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A statement by Secretary Reich on the Earned Income Tax Credit will be available on the Labor Department audio news service (1-800-877-9002) through April 3.

This information will be made available to sensory impaired individuals upon request. Voice Phone: 202-219-6060, TDD Message Referral Phone: 1-800-326-2577.

The text of this release is available from the Department of Labor electronic bulletin board, LABOR NEWS, at 202-219-4784. Callers must pay any toll-call charges. 300, 1200, 2400, 9600 or 14,400 BAUD; Parity: None; Data Bits = 8; Stop Bit = 1. Voice phone: 202-219-8831.

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Office of Information

Washington, D.C. 20210

EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Bob Cuccia/Cheryl Palumbo
OFFICE: 202/219-8743

USDL: 94-193
FOR RELEASE: IMMEDIATE
Mon., April 11, 1994

EMPLOYMENT STANDARDS ADMINISTRATION LEADERSHIP TEAM COMPLETE

The leadership team for the Labor Department's Employment Standards Administration (ESA) is complete. Bernard Anderson is assistant secretary for employment standards; Ida Castro, deputy assistant secretary for workers' compensation programs; Shirley Wilcher, deputy assistant secretary for federal contract compliance programs and Maria Echaveste, wage and hour administrator.

Bernard Anderson was confirmed by the U.S. Senate on Feb. 28. As assistant secretary for employment standards, Anderson leads ESA's three programs: the Office of Workers' Compensation Programs (OWCP) provides workers' compensation benefits to certain employees injured on the job; the Office of Federal Contract Compliance Programs (OFCCP) ensures equal employment opportunity and affirmative action by federal contractors; and, the Wage and Hour Division enforces wage and working standards for most U.S. workers.

Before Anderson's appointment to ESA, he was president of the Anderson Group, a Philadelphia economic and management advisory firm. Prior to that, he was a tenured professor at the University of Pennsylvania's Wharton School of Finance and Commerce. He has written five books and many articles on economic and employment policy and has held leadership positions in private philanthropy, private enterprise and the public sector. Anderson began his career as an economist for the department's Bureau of Labor Statistics. He is a graduate of both Livingstone College and Michigan State University and earned a doctoral degree in business and applied economics from the University of Pennsylvania.

Ida Castro was appointed deputy assistant secretary for OWCP on Feb. 28 by Labor Secretary Robert B. Reich. Before joining OWCP, Castro was senior legal counsel for Health and Hospitals Corp., a public corporation responsible for the operation of New

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York City's municipal hospitals, clinics and long-term care facilities. During her career, she has provided legal counsel to various organizations on labor law, arbitration and EEO, and was a tenured associate professor at Rutgers' Institute of Management and Labor Relations in New Jersey. Castro holds master's and law degrees from Rutgers University.

Shirley Wilcher was appointed deputy assistant secretary for OFCCP on Feb. 14 by Reich. Before joining OFCCP, she was general counsel and director for state relations for the National Association of Independent Colleges and Universities. Before then, she was associate counsel to the House Education and Labor Committee where she monitored the enforcement efforts of OFCCP, the Equal Employment Opportunity Commission and the Department of Education's Office for Civil Rights. Wilcher, a graduate of Mt. Holyoke College, holds a master's degree from the New School for Social Research, a certificate of French language from the University of Paris, and a law degree from Harvard Law School.

Maria Echaveste was confirmed by the U.S. Senate as wage and hour administrator last June 24. Before joining Wage and Hour, she was deputy director of personnel during the Clinton transition, and was the national Latino coordinator for the President's campaign. Before then, she was a corporate attorney with law firms in New York and Los Angeles and participated in several civic and charitable organizations including the Mexican American Legal Defense and Education Fund to help minority students pass the California Bar. She holds a law degree from the University of California at Berkeley.

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This information will be made available to sensory impaired individuals upon request. Voice phone: (202) 219-6060. TDD message referral phone: 1-800-326-2577.

The text of this release is available from the Department of Labor electronic bulletin board, LABOR NEWS, at 202-219-4784. Callers must pay any toll-call charges. 300, 1200, 2400, 9600 or 14,400 BAUD; Parity: None; Data Bits = 8; Stop Bit = 1. Voice phone: 202-219-8831.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Bob Cuccia/Cheryl Palumbo
OFFICE: 202/219-8743

USDL: 94-195
FOR RELEASE: IMMEDIATE
Thurs., April 14, 1994

SHIRLEY WILCHER SWORN IN AS HEAD OF TOP CIVIL RIGHTS OFFICE

Deputy Assistant Secretary for Federal Contract Compliance Shirley Wilcher was sworn in today in a ceremony hosted by Labor Secretary Robert B. Reich.

As head of the Office of Federal Contract Compliance Programs (OFCCP), Wilcher will oversee enforcement of equal opportunity laws for employees of firms under contract with the federal government.

"I am delighted to have Shirley Wilcher serving with me as head of the Labor Department agency responsible for enforcing federal equal employment opportunity laws among government contractors," said Reich.

"The federal government does more than \$190 billion in business a year, with 17,500 American corporations who employ approximately 27.5 million workers. Shirley will lead the department's effort to protect these workers from employment discrimination in any form and to ensure that swift, effective action is taken against government contractors found guilty of unfair hiring and employment practices."

Before joining the Office of Federal Contract Compliance Programs Wilcher was general counsel and director of state relations for the National Association of Independent Colleges and Universities. Prior to that, she was associate counsel to the House Education and Labor Committee, where she monitored the enforcement efforts of OFCCP, the Equal Employment Opportunity Commission and the Department of Education's Office for Civil Rights.

Said Wilcher, "In this highly competitive, global economy, failing to take full advantage of the talent of all of our workers is extremely shortsighted. OFCCP's role is to help employers understand this, so they can implement practices that contribute to the nation's collective well-being."

Wilcher, a graduate of Mt. Holyoke College, holds a master's degree from the New School for Social Research, a certificate in French language from the University of Paris and a law degree from Harvard Law School.

OFCCP enforces Executive Order 11246, Section 503 of the Rehabilitation Act of 1973, and Part 4212 of the Vietnam Era Veterans Readjustment Assistance Act of 1974 requiring federal contractors to guarantee equal employment opportunity without regard to race, gender, religion, color, national origin, disability or Vietnam-era status. OFCCP is part of the Labor Department's Employment Standards Administration.

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The text of this release is available from the Department of Labor electronic bulletin board, LABOR NEWS, at 202-219-4784. Callers must pay any toll-call charges. 300, 1200, 2400, 9600 or 14,400 BAUD; Parity: None; Data Bits = 8; Stop Bit = 1. Voice phone: 202-219-8831.

A radio actuality featuring statements by Labor Secretary Robert B. Reich and Assistant Secretary Shirley Wilcher is available on 1-800-877-9002.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: BOB CUCCIA
OFFICE : 202/219-8743

USDL: 94-409
FOR RELEASE: IMMEDIATE
Mon., Aug. 22, 1994

FOUR FIRMS ASSESSED \$242,900 FOR CHILD LABOR VIOLATIONS UNDER NEW
CIVIL MONEY PENALTY GUIDELINES

Secretary of Labor Robert B. Reich today announced that four companies have been assessed a total of \$242,900 in civil money penalties for violations of federal child labor laws since new guidelines for increased penalties became effective in June 1994. The new penalties together are more than 300 percent higher than under the former system.

"These penalty assessments send a strong message to employers who violate the law that this Administration is committed to safeguarding the health and lives of our nation's most valuable asset--our youth. The new penalty guidelines are proof that we are committed to a strong, responsible enforcement strategy," Secretary Reich said.

The assessments were made by the Department's Wage and Hour Division under the Fair Labor Standards Act (FLSA).

Assistant Secretary of Labor Bernard Anderson, head of the Employment Standards Administration, noted that under the old structure the total penalties assessed would have been about \$75,000. Anderson also emphasized, "We will target the worst actors and the worst offenders; protect vulnerable populations such as children and low-wage workers; deter violations with significant penalties, and get results as quickly as the law and public involvement will permit us."

The companies that have been assessed penalties are:

-- CJJL, Inc., d/b/a Tonidale Restaurant, Oakdale, Pa. The investigation revealed that a 15 year-old minor seriously injured his knee while working in violation of the hours standards of child labor regulations. Eight other minors were also employed in violation of those hours standards. Penalties of \$18,100 have been assessed under the increased penalty structure. Under the old penalty structure, the assessment would have been \$12,675.

-- Colonial Village Meat Market of Newton Square, Inc., in Newton Square, Pa., and Colonial Village Meat Market of Bala Cynwyd, Inc., in Bala Cynwyd, Pa. Investigations of these two establishments documented that a 15 year-old lost his arm while operating an electric-powered meat grinder in violation of hazardous occupations regulations. Several other minors were also found to have operated a meat grinder as well as band saws and patty makers, also prohibited by the order. Penalties of \$105,600 were assessed against the firm. A maximum of \$27,550 would have been assessed under the old penalty structure.

-- McEleven Enterprises, Inc., d/b/a Falmouth Beef and Deli, of North Falmouth, Ma. The investigation disclosed that a 15 year-old and a 17 year-old were seriously injured while working with power driven meat slicers in violation of the child labor laws, and that as many as eight other minors were employed in violation of the law. A total of \$102,000 was assessed against the company under the new penalty structure. Under the old penalty structure, \$24,750 would have been assessed.

-- Pacific Custom Products, Inc., of Salem, Or. The investigation found that a 15 year-old crushed his fingers while operating a metal forming press in violation of the law. The minor was employed in manufacturing, which is also prohibited for youth under 16 years of age under the child labor laws. The firm was assessed \$17,000 under the new penalty structure. Under the old structure, it would have been assessed a total of \$10,000 for the violations.

Guidelines for the new civil money penalties for violations resulting in the death or serious injury of an employee under 18 years of age became effective June 15, following the department's May 16 announcement of changes in child labor regulations.

Child labor regulations set the hours during which children under 16 can work, and restrict employment in specific hazardous occupations for all minors under 18. Generally, youth under 14 may work only in a few specified jobs that are exempt from the general prohibition in the law, such as newspaper delivery, or in employment not covered by the law. Different standards apply to farm labor.

The companies have the right to challenge the assessments and request a hearing before a departmental Administrative Law Judge or pay the penalty assessed.

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EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: BOB CUCCIA/DOLORES BOARD
OFFICE : 202/219-8743

USDL: 94-439
FOR RELEASE: Immediate
Fri., Sept. 2, 1994

LABOR DEPARTMENT ANNOUNCES LARGEST BACK WAGE SETTLEMENT FOR
TEMPORARY FOREIGN WORKERS; COMPANY AGREES NOT TO PARTICIPATE IN
FOREIGN WORKER PROGRAM

A company that supplies foreign physical therapists for Texas hospitals has agreed to pay the largest back wage settlement to date for allegedly underpaying the workers. The company has also agreed not to participate in a temporary foreign worker program after February 1995.

Rehab One Inc., based in Bloomington, Minn., will pay more than \$460,000 in back wages to 54 therapists and \$23,000 in civil money penalties under a legal settlement with the U.S. Labor Department. The firm supplies hospitals and medical centers in Ft. Worth, Dallas and other Texas towns with Polish therapists.

"Companies are allowed to bring in temporary foreign workers based on promises that the company will treat them fairly," said Secretary of Labor Robert B. Reich. "Rehab One violated this basic agreement by underpaying its workers. We simply will not allow any company to gain a competitive advantage by taking the low road."

In addition to the back wages and civil money penalties, Rehab One, its managing director Scott Hillstrom and other company officials will no longer participate in the temporary foreign worker program after February 1995.

The alleged violations occurred under the H-1B program, through which employers seeking to import foreign workers for temporary employment in specialty occupations must file an application with the department. As part of this process, the employer must certify it will pay the workers at least the prevailing wage rate for the occupation in the geographical area.

Labor Department investigators found that Rehab One paid its Polish therapists as little as \$500 a month in cash wages for certain periods. The employer was required to pay a prevailing wage as high as \$2,800 per month.

"The settlement demonstrates this Administration's commitment to enforce laws in the workplace in a tough and responsible manner," said Bernard E. Anderson, assistant secretary of labor for the Employment Standards Administration. "Our strategy is to focus on the worst offenses, protect vulnerable workers, deter violations with significant monetary penalties and get results in a swift and efficient manner."

The settlement with Rehab One resolves issues identified during an investigation by the department's Wage and Hour Division completed in September 1993. Investigators found that Rehab One had willfully failed to pay its workers the required wages, failed to accurately specify the wages it had to pay its H-1B workers and failed to develop appropriate prevailing wage documentation. The settlement was signed Aug. 10.

The department's Employment and Training Administration processes H-1B applications and the department's Wage and Hour Division, part of the Employment Standards Administration, enforces the employment terms and conditions. The Immigration and Naturalization Service processes the admission petitions for these workers.

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EMPLOYMENT STANDARDS ADMINISTRATION

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Gloria Della
202/219-8211

USDL: 94-545
FOR RELEASE: Immediate
Wednesday, Nov. 2, 1994

SWEEP OF LOS ANGELES AREA GARMENT SHOPS NETS MORE THAN \$365,000 IN BACK WAGES AND PENALTIES

Secretary of Labor Robert B. Reich said today that a recent week-long sweep of 44 Los Angeles area sewing shops uncovered \$366,000 in back wages owed to more than 800 workers and that almost all of the shops had violated federal labor law.

As a result of the department's aggressive enforcement of the garment industry approximately \$1.2 million in back wages were recovered for Los Angeles area garment workers in 1993. Nationwide, investigations covering California, New York and Texas identified 10,474 underpaid garment workers, a 52 percent increase over the 6,877 found in 1992. In addition, employers agreed to pay \$3.1 million in back wages, up from \$2.4 million in 1992.

"Many consumers do not realize that the clothes they buy in department stores may have been made in American sweatshops," Reich said. "We are serving notice that the department will take appropriate steps to assure that employers comply with federal labor laws that protect workers," he continued.

Reich said, "Strict enforcement can deter unscrupulous employers from abusing their workers and serve as a disincentive to employers who would hire illegal immigrants."

The department will also assess civil money penalties against employers previously cited for wage violations.

U. S. Labor Department Wage and Hour Division investigators conducted the unannounced sweep of sewing shops in Los Angeles, Orange and San Bernardino counties during the last week in September. The 44 shops investigated had violations of the recordkeeping, minimum wage, overtime or child labor provisions of the Fair Labor Standards Act (FLSA).

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The investigations were conducted as part of the Targeted Industries Partnership Program (TIPP) aimed at the garment and agricultural industries in California. Under TIPP, teams of compliance officers representing several state agencies joined with federal investigators and local agencies to check for compliance with a wide range of workplace laws.

Maria Echaveste, national administrator of the Labor Department's Wage and Hour Division, said the garment industry has been the target of an aggressive national program of enforcement and education for more than two years.

"The incidence of worker exploitation in the garment industry is too common and too pervasive to miss," said Echaveste, "and the stepped-up efforts by the Wage and Hour Division, working independently as well as with other agencies, will continue until that situation changes."

Typical findings in nearly all of the cases included employees paid in cash, inadequate records of hours worked and wages paid, employees paid a piece-rate which resulted in an hourly wage less than the federal minimum wage of \$4.25 per hour, and improper overtime computations. One shop had no payroll records.

In addition to stepped-up enforcement in the sewing shops, Echaveste said the department is working with manufacturers and retailers to take some responsibility for the fair treatment of workers who produce the goods they sell. Manufacturers are routinely informed of violations by sewing shops working for them. In October the department began meetings with retailers to enlist their help in seeing that the goods they sell are not produced at the expense of underpaid workers.

The Wage and Hour Division is part of the department's Employment Standards Administration.

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This information will be made available to sensory impaired individuals upon request. Voice phone: (404)347-4495. TDD message referral phone: 1-800-473-2356.



EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Layne Lathram
Bob Cuccia
OFFICE : 202/219-8743
Gloria Della
202/219-8211

USDL: 94-543

FOR RELEASE: Immediate
Wed., Nov. 2, 1994

**U.S. LABOR DEPARTMENT TAKES LEGAL ACTION TO OBTAIN MORE THAN
\$1 MILLION FROM GEORGIA FARMER, FARM LABOR CONTRACTOR AND OTHERS**

The U.S. Labor Department is seeking more than \$1.16 million in back wages and penalties from a Georgia farm owner and a farm labor contractor for failing to pay workers required wages and not providing safe living conditions.

The actions against Delbert Bland, the president of Bland Farms, Reidsville, Ga., and James Rucker, a farm labor contractor, represent the largest case brought by the department in which a farmer and farm labor contractor are held jointly responsible for federal labor law violations and the payment of civil penalties.

"Farmworkers, among the lowest paid and most vulnerable workers in the country, stand at the bottom rung of the workplace ladder," said Secretary of Labor Robert B. Reich. "We will use every tool available, including the courts when appropriate, to get the wages and living conditions owed these workers."

"The strict enforcement of labor laws," said Reich, "can deter unscrupulous employers from abusing these vulnerable workers."

The department is seeking to have the defendants held jointly responsible for \$276,000 in civil penalties under the Fair Labor Standards Act (FLSA) and \$299,000 under the Migrant and Seasonal Farmworker Protection Act (MSPA). Other defendants include Bland Farms, Inc., operated by Bland, and Tattnall Harvesting, Inc. and South Georgia Harvesting which are operated by Rucker.

The department is also seeking payment of individual civil money penalties of \$2,000 from Bland and \$6,000 from Rucker.

A separate civil lawsuit filed in federal district court under both FLSA and MSPA also names Raymond Bland and Bland Farms Sales, Ltd. as defendants. They allegedly engaged in minimum wage and recordkeeping violations and numerous MSPA violations, including unhealthy and unsafe living conditions as well as unsafe transportation; failure to properly pay for and record all hours worked; and failure of the farm labor contractor to be properly registered with the Labor Department.

In the district court action, the department is seeking approximately \$576,000 in back wages due to 276 employees. The department is also asking the court to permanently enjoin these defendants from violating FLSA and MSPA in the future.

Delbert Bland and James Rucker have long histories of labor law violations. They have been investigated and assessed civil money penalties numerous times. Rucker is currently under injunction in Florida, Georgia and North Carolina for past violations of the Migrant and Seasonal Farmworker Act (MSPA) and the Fair Labor Standards Act (FLSA) and has previously been found in contempt of court.

"Farmers cannot avoid legal responsibility and attendant liabilities by hiding behind farm labor contractors," said Maria Echaveste, administrator of the Wage and Hour Division. "We intend to hold both employers responsible for violations of migrant farmworker rights whenever appropriate."

Enforced by the Labor Department's Wage and Hour Division, MSPA requires agricultural employers, agricultural associations, and farm labor contractors to observe certain labor standards when employing migrant and seasonal farmworkers, unless some specific exemption applies. Additionally, providers of housing for migrant and seasonal farmworkers are subject to the act.

The FLSA sets the basic federal minimum wage, currently \$4.25 an hour. It also sets out, by age groups, the types of jobs minors can hold, along with the hours during which they may work.

The Labor Department's legal action followed investigations by the Wage and Hour Division's Atlanta District Office.

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This information will be made available to sensory impaired individuals upon request. Voice phone: (404)347-4495. TDD message referral phone: 1-800-473-2356.



EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Layne Lathram/Bob Cuccia
OFFICE: 202/219-8743

USDL: 95-07
FOR RELEASE: Immediate
Fri., Jan. 5, 1995

FAMILY AND MEDICAL LEAVE ACT (FMLA) FINAL REGULATIONS PUBLISHED

Final regulations for the Family and Medical Leave Act of 1993 (FMLA) are published in today's Federal Register. The rules will take effect 30 days after publication.

While largely unchanged from the interim final regulations previously published, the final regulations include revised definitions of terms such as "serious health condition" and "health care provider"; clarification of employers' responsibilities on designation of FMLA leave; and information responding to employers' questions about medical certification.

The final rules incorporate suggestions from more than 900 public comments received by the Labor department during the six-month public comment period on the interim rules. The FMLA, which became effective on Aug. 5, 1993, covers private employers with 50 or more employees, employees of public agencies and employees of local public or private schools.

Efforts will continue to educate both employees and employers about their rights and responsibilities under the law.

The FMLA allows eligible employees to take up to 12 weeks of unpaid, job-protected leave during a 12-month period for the birth of a child and to care for the newborn; placement of a child for adoption or foster care; care of a spouse, child or parent with a serious health condition; or an employee's own serious health condition.

Highlights of the changes include:

- changing the definition of "serious health condition" to clarify the circumstances under which employees with chronic health conditions are not required to see a health care provider during FMLA absence;

- amending the definition of "health care provider" to include clinical social workers; any health care provider recognized by the employer or the employer's group health plan benefits manager as authorized to provide certification of a serious health condition for claims; and health care providers in countries outside the U.S.;
- clarifying employers' responsibilities in designating leave as FMLA leave and employees' responsibilities in giving notice of FMLA leave;
- defining actions employers may not take to avoid granting FMLA leave to employees;
- allowing an employer's health care provider to contact the employee's health care provider for clarification of the medical certification, but continuing to prohibit requests for additional information; and
- clarifying the FMLA's relationship with federal and state anti-discrimination laws, particularly the Americans with Disabilities Act, and workers compensation laws.

Assistant Secretary of Labor for Employment Standards Bernard E. Anderson said, "We take very seriously our responsibility to protect workers and their families. We are proud of our record in successfully resolving more than 90 percent of the violations of FMLA since the law went into effect. We think this is partly attributable to the outreach and education efforts we put forth and, with these changes, this effort will be continued."

Single copies of new regulations and a fact sheet, which may be reproduced, are available from local offices of the U.S. Department of Labor's Wage and Hour Division.

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This information will be made available to sensory impaired individuals upon request. Voice phone: (202) 291-5555. TDD Message Phone: 1-800-326-2577.

The text of this release is available from the Department of labor electronic bulletin board, LABOR NEWS, at (202) 219-4784. Callers must pay any toll-call charges. 300, 1200, 2400, 9600 or 14,400 BAUD; Parity: None; Data Bits = 8; Stop Bit =1. Voice phone: (202) 219-8831.

MOST SIGNIFICANT CHANGES TO THE FMLA REGULATIONS

- The definition of **serious health condition** has been changed to clarify the circumstances under which FMLA leave may be taken. Additional guidance has been provided regarding what is considered a "continuing regimen of treatment" for chronic conditions such as asthma, long-term or permanently incapacitating conditions such as Alzheimer's, and absences for multiple treatments for serious conditions such as cancer. Examples have been provided of conditions that do not ordinarily constitute serious health conditions. The definition has been modified so that employees with chronic conditions or who are pregnant are not required to see a health care provider during every absence.
- The definition of **health care provider** has been expanded to include clinical social workers and any health care provider recognized by the employer (or the employer's group health plan benefits manager) as authorized to provide certification for purposes of claims.
- It remains the employer's responsibility to designate leave in writing as FMLA leave and to notify the employee. Generally, this designation must be made when the employer learns the reason for the leave. In a change in this rule, an employer is permitted to designate FMLA leave after the leave ends only if (1) the employer has preliminarily designated the leave but is awaiting medical certification, or (2) the employer did not know the reason for the leave at the time the leave was taken (but makes the designation within two business days after the employee's return to work). Similarly, employees may not retroactively claim that paid or unpaid leave was for an FMLA purpose.
- Leave taken for a serious health condition pursuant to a disability benefit plan or worker's compensation can be credited against an employee's FMLA leave entitlement (and of course accrued paid leave may not be substituted while such benefits are being received).
- If an employee voluntarily accepts a light duty assignment in lieu of continuing on FMLA leave, the employee's right to restoration to the original or an equivalent job continues until 12 weeks has passed, including FMLA leave and the period in the light duty job.
- An employer's health care provider may contact the employee's health care provider for clarification of information contained in a medical certification, but may not request additional information.
- An employer is ordinarily only required to give written notice of its specific requirements relating to FMLA leave the first time in a six-month period in which leave is taken, rather than each time. However, individual notice must be given each time medical certification or a "fitness-for-duty" report is required unless the requirement is clearly set forth in the six-month notice and any employer handbook.

THE FAMILY AND MEDICAL LEAVE ACT OF 1993

The U.S. Department of Labor's Employment Standards Administration, Wage and Hour Division, administers and enforces the Family and Medical Leave Act (FMLA) for all private, state and local government employees, and some federal employees. Most Federal and certain congressional employees are also covered by the law and are subject to the jurisdiction of the U.S. Office of Personnel Management and the Congress.

FMLA became effective on August 5, 1993, for most employers. If a collective bargaining agreement (CBA) was in effect on that date, FMLA became effective on the expiration date of the CBA or February 5, 1994, whichever was earlier.

FMLA entitles eligible employees to take up to 12 weeks of unpaid, job-protected leave in a 12-month period for specified family and medical reasons. The employer may elect to use the calendar year, a fixed 12-month leave or fiscal year, or a 12-month period prior to or after the commencement of leave as the 12-month period.

The law contains provisions on employer coverage; employee eligibility for the law's benefits; entitlement to leave, maintenance of health benefits during leave, and job restoration after leave; notice and certification of the need for FMLA leave; and, protection for employees who request or take FMLA leave. The law also requires employers to keep certain records.

EMPLOYER COVERAGE

FMLA applies to all:

- public agencies, including state, local and federal employers, local education agencies (schools), and
- private-sector employers who employed 50 or

more employees in 20 or more workweeks in the current or preceding calendar year and who are engaged in commerce or in any industry or activity affecting commerce — including joint employers and successors of covered employers.

EMPLOYEE ELIGIBILITY

To be eligible for FMLA benefits, an employee must:

- (1) work for a covered employer;
- (2) have worked for the employer for a total of at least 12 months;
- (3) have worked at least 1,250 hours over the previous 12 months; and
- (4) work at a location in the United States or in any territory or possession of the United States where at least 50 employees are employed by the employer within 75 miles.

LEAVE ENTITLEMENT

A covered employer must grant an eligible employee up to a total of 12 workweeks of unpaid leave during any 12-month period for one or more of the following reasons:

- for the birth and care of the newborn child of the employee;
- for placement with the employee of a son or daughter for adoption or foster care;
- to care for an immediate family member (spouse, child, or parent) with a serious health condition; or

(over)

— to take medical leave when the employee is unable to work because of a serious health condition.

Spouses employed by the same employer are jointly entitled to a **combined** total of 12 workweeks of family leave for the birth and care of the newborn child, for placement of a child for adoption or foster care, and to care for a parent who has a serious health condition.

Leave for birth and care, or placement for adoption or foster care must conclude within 12 months of the birth or placement.

Under some circumstances, employees may take FMLA leave intermittently — which means taking leave in blocks of time, or by reducing their normal weekly or daily work schedule.

— If FMLA leave is for birth and care or placement for adoption or foster care, use of intermittent leave is subject to the employer's approval.

— FMLA leave may be taken intermittently whenever medically necessary to care for a seriously ill family member, or because the employee is seriously ill and unable to work.

Also, subject to certain conditions, employees or employers may choose to use accrued paid leave (such as sick or vacation leave) to cover some or all of the FMLA leave. The employer is responsible for designating if an employee's use of paid leave counts as FMLA leave, based on information from the employee.

"Serious health condition" means an illness, injury, impairment, or physical or mental condition that involves either:

— any period of incapacity or treatment connected with inpatient care (i.e., an overnight stay) in a hospital, hospice, or residential medical-care facility, and any period of incapacity or subsequent treatment in connection with such inpatient care; or

— Continuing treatment by a health care provider which includes any period of incapacity (i.e., inability to work, attend school or perform other regular daily activities) due to:

- (1) A health condition (including treatment therefor, or recovery therefrom) lasting more than three consecutive days and any subsequent treatment or period of incapacity relating to the same condition that **also** includes:
 - treatment two or more times by or under the supervision of a health care provider; or
 - treatment by a health care provider one time with a continuing regimen of treatment;
- (2) Pregnancy or prenatal care. A visit to the health care provider is not necessary for each absence;
- (3) A chronic serious health condition which continues over an extended period of time, requires periodic visits to a health care provider, and may involve occasional episodes of incapacity (e.g., asthma, diabetes). A visit to the health care provider is not necessary for each absence;
- (4) A permanent or long-term condition for which treatment may not be effective (e.g., Alzheimer's, a severe stroke, terminal cancer). Only supervision by a health care provider is required, rather than active treatment; or
- (5) Any absences to receive multiple treatments for restorative surgery or for a condition which would likely result in a period of incapacity of more than three days if not treated (e.g., chemotherapy or radiation treatments for cancer).

(continued on next page)

"Health care provider" means:

- doctors of medicine or osteopathy authorized to practice medicine or surgery by the state in which the doctors practice; or
- podiatrists, dentists, clinical psychologists, optometrists and chiropractors (limited to manual manipulation of the spine to correct a subluxation as demonstrated by X-ray to exist) authorized to practice, and performing within the scope of their practice, under state law; or
- nurse practitioners, nurse-midwives and clinical social workers authorized to practice, and performing within the scope of their practice, as defined under state law; or
- Christian Science practitioners listed with the First Church of Christ, Scientist in Boston, Massachusetts.

MAINTENANCE OF HEALTH BENEFITS

A covered employer is required to maintain group health insurance coverage for an employee on FMLA leave whenever such insurance was provided before the leave was taken and on the same terms as if the employee had continued to work. If applicable, arrangements will need to be made for employees to pay their share of health insurance premiums while on leave.

In some instances, the employer may recover premiums it paid to maintain health coverage for an employee who fails to return to work from FMLA leave.

JOB RESTORATION

Upon return from FMLA leave, an employee must be restored to the employee's original job, or to an equivalent job with equivalent pay, benefits, and other terms and conditions of employment.

In addition, an employee's use of FMLA leave cannot result in the loss of any employment

benefit that the employee earned or was entitled to **before** using FMLA leave, nor be counted against the employee under a "no fault" attendance policy.

Under specified and limited circumstances where restoration to employment will cause substantial and grievous economic injury to its operations, an employer may refuse to reinstate certain highly-paid "key" employees after using FMLA leave during which health coverage was maintained. In order to do so, the employer must:

- notify the employee of his/her status as a "key" employee in response to the employee's notice of intent to take FMLA leave;
- notify the employee as soon as the employer decides it will deny job restoration, and explain the reasons for this decision;
- offer the employee a reasonable opportunity to return to work from FMLA leave after giving this notice; and
- make a final determination as to whether reinstatement will be denied at the end of the leave period if the employee then requests restoration.

A "key" employee is a salaried "eligible" employee who is among the highest paid ten percent of employees within 75 miles of the work site.

NOTICE AND CERTIFICATION

Employees seeking to use FMLA leave are required to provide 30-day advance notice of the need to take FMLA leave when the need is foreseeable and such notice is practicable.

Employers may also require employees to provide:

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- medical certification supporting the need for leave due to a serious health condition affecting the employee or an immediate family member;
- second or third medical opinions (at the employer's expense) and periodic recertification; and
- periodic reports during FMLA leave regarding the employee's status and intent to return to work.

When leave is needed to care for an immediate family member or the employee's own illness, and is for planned medical treatment, the employee must try to schedule treatment so as not to unduly disrupt the employer's operation.

Covered employers must post a notice approved by the Secretary of Labor explaining rights and responsibilities under FMLA. An employer that willfully violates this posting requirement may be subject to a fine of up to \$100 for each separate offense.

Also, covered employers must inform employees of their rights and responsibilities under FMLA, including giving specific written information on what is required of the employee and what might happen in certain circumstances, such as if the employee fails to return to work after FMLA leave.

UNLAWFUL ACTS

It is unlawful for any employer to interfere with, restrain, or deny the exercise of any right provided by FMLA. It is also unlawful for an employer to discharge or discriminate against any individual for opposing any practice, or because of involvement in any proceeding, related to FMLA.

ENFORCEMENT

FMLA is enforced, including the investigation of complaints, by the Wage and Hour Division. If violations cannot be satisfactorily

resolved, the U.S. Department of Labor may bring action in court to compel compliance. An eligible employee may also bring a private civil action against an employer for violations.

OTHER PROVISIONS

Special rules apply to **employees of local education agencies**. Generally, these rules provide for FMLA leave to be taken in blocks of time when intermittent leave is needed or the leave is required near the end of a school term.

Salaried executive, administrative, and professional employees of covered employers who meet the Fair Labor Standards Act (FLSA) criteria for exemption from minimum wage and overtime under Regulations, 29 CFR Part 541, do not lose their FLSA-exempt status by using any unpaid FMLA leave. This special exception to the "salary basis" requirements for FLSA's exemption extends only to "eligible" employees' use of leave required by FMLA.

The FMLA does not affect any other federal or state law which prohibits discrimination, nor supersede any state or local law which provides greater family or medical leave protection. Nor does it affect an employer's obligation to provide greater leave rights under a collective bargaining agreement or employment benefit plan. The FMLA also encourages employers to provide more generous leave rights.

FURTHER INFORMATION

The final rule implementing FMLA is contained in the January 6, 1995, Federal Register. (An interim final rule was published in the Federal Register on June 4, 1993.) For more information, please contact the nearest office of the **Wage and Hour Division**, listed in most telephone directories under U.S. Government, Department of Labor, Employment Standards Administration.

News Release



U.S. Department of Labor

Office of Public Affairs
Washington, D.C.

EMPLOYMENT STANDARDS ADMINISTRATION

CONTACT: Layne Lathram/Bob Cuccia
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USDL: 95-118
FOR RELEASE: Immediate
Thursday, April 6, 1995

FAMILY AND MEDICAL LEAVE ACT FINAL REGULATIONS TAKE EFFECT TODAY

The final regulations for the Family and Medical Leave Act (FMLA) of 1993 take effect today.

These final regulations, largely unchanged from the previously published interim final regulations, include revised definitions of terms such as "serious health condition" and "health care provider;" clarification of employers' responsibilities on designation of FMLA leave; information responding to employers' questions about medical certification; clarifying the FMLA's relationship with federal and state anti-discrimination laws, particularly the Americans with Disabilities Act, and workers compensation laws.

The final rules incorporate suggestions from more than 900 comments received by the Labor Department during the six-month public comment period on the interim rules. The FMLA, which became effective on August 5, 1993, covers private employers with 50 or more employees, employees of public agencies and employees of local public or private schools.

Efforts continue to educate employers and employees about their rights and responsibilities under the law. The final regulations were published in the Federal Register of January 6, 1995.

The FMLA allows eligible employees to take up to 12 weeks of unpaid, job-protected leave during a 12-month period for the birth of a child and to care for a newborn; placement of a child for adoption or foster care; care of a spouse, child or parent with a serious health condition; or an employee's own serious health condition.

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Assistant Secretary of Labor for Employment Standards Bernard E. Anderson said, "The Family and Medical Leave Act ensures that workers no longer have to make agonizing choices between caring for their families and keeping their jobs, and employers can retain valuable employees in whom they have invested time and training. This law benefits the nation as a whole, and we are proud of our role in administering it."

FMLA affects about 45 million U.S. workers (40 percent of the U.S. labor force), and 300,000 U.S. businesses, or about 5 percent of the total.

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This information will be made available to sensory impaired individuals upon request. Voice phone: 202-219-6060, TDD Message Referral Phone: 1-800-326-2577.

The text of this release is available for the Department of Labor electronic bulletin board, LABOR NEWS at 202-219-4784. Callers must pay any toll-call charges. 300, 1200, 2400, 9600 or 14,400 Baud; Parity: None; Data Bits = 8; Stop Bit = 1. Voice phone: 202-219-8831.

News Release



U.S. Department of Labor

Office of Public Affairs
Washington, D.C.

EMPLOYMENT STANDARDS ADMINISTRATION

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FOR RELEASE: Immediate
Wed., April 12, 1995

COMPUTER SERVICES FIRM SUBJECT TO DEBARMENT, ASSESSED \$117,000 IN FINES AND BACK WAGES AS A RESULT OF IMMIGRATION LAW VIOLATIONS; ALJ UPHOLDS LABOR DEPARTMENT RULING ON ANOTHER COMPUTER FIRM

In separate cases involving Michigan computer firms, the U.S. Labor Department fined and is seeking to debar one firm for violations of the Immigration and Nationality Act (INA), and an administrative law judge upheld the department's ruling on another firm concerning interpretation of the act.

SYNTEL, INC.

The department has assessed **Syntel, Inc.**, of Troy, \$77,702 in back wages and a separate \$40,000 civil money penalty for alleged nonimmigrant foreign worker violations. In addition, citing willful violations, the department is seeking to debar Syntel from participating in a variety of immigration programs for one year.

Syntel supplies computer programmers and analysts to customer firms throughout the United States. Some of its employees are foreign workers admitted under the H-1B visa program established in 1990.

The back wages and civil money penalty were assessed by Labor's Wage and Hour Division after its investigation disclosed willful violations of provisions of the Immigration and Nationality Act governing the admission of nonimmigrant foreign workers for temporary employment in "specialty occupations" under H-1B visas. These provisions are enforced by the department.

"The Labor Department has the responsibility under the immigration law to facilitate U.S. employers' needed access to international labor markets and, at the same time, protect the interests of U.S. workers and businesses from unfair competition

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based on sub-standard wages and working conditions," said Bernard Anderson, assistant secretary of labor for the Employment Standards Administration (ESA). "We have recently revised the regulations governing the H-1B program to strengthen the protections for U.S. workers and businesses in order to prevent the practices cited in this case and maintain a level competitive playing field." ESA oversees the Wage Hour Division.

The H-1B visa program allows for temporary (up to six years) admission into the U.S. of up to 65,000 foreign workers each year in certain "specialty occupations" such as engineers, teachers, computer programmers, medical doctors and physical therapists. Employers wishing to gain admission of such H-1B workers must certify, among other things, that they will pay their foreign workers at least the same wage rate that is paid to other workers already performing that job in the area where the work will be performed.

Labor Department investigators examined Syntel's operations in New Jersey and found that Syntel willfully paid about 40 of its H-1B computer programmers less than the locally prevailing wage.

Maria Echaveste, head of the Wage and Hour Division, said, "We intend to enforce this law vigorously to ensure that no employer of H-1B workers will gain any unfair economic advantage by paying temporary foreign workers less than would be paid to U.S. workers in the same occupation in the area of employment. This law provides significant penalties which we are going to use wisely and, where appropriate, to the fullest as part of our commitment to deter violations."

The case was investigated under the authority of the Michigan district director of the department's Wage and Hour Division, which has jurisdiction over Syntel's headquarters.

ANALYTICAL TECHNOLOGIES, INC. (ANATEC)

In a separate matter relating to administration of the H-1B program, Administrative Law Judge Daniel J. Rokentenez issued a decision and order supporting department rules dealing with the employment of nonimmigrant H-1B workers. The judge's order became the final decision of the department when Labor Secretary Robert B. Reich issued a March 29 notice declining to review the judge's order.

Under the nonimmigrant foreign worker (H-1B) program, a company wishing to employ such a worker must attest that it has notified other workers in the same occupation of its intention to hire temporary foreign workers, including information about the intended wages to be paid to H-1B workers. This notification requirement helps to insure that all persons who might be adversely affected by the employment of the foreign workers have knowledge of the terms and conditions under which they are to be employed, including how and where to file complaints of violations.

In his ruling, Rokentenetz upheld the decision of the Wage and Hour Administrator in the case of Analytical Technologies, Inc. (Anatec), Southfield, Mich.

Anatec is a computer consulting company that provides software and consulting services to business and government. It has its main office in Southfield, and branch offices in Houston, Indianapolis, and Bloomington, Minn.

An investigation conducted by Wage and Hour in 1994 disclosed that Anatec failed to post notices of its intent to assign H-1B workers at the site where they would be employed. Anatec also failed to give notice of intended pay rates for the foreign workers and information about how to file complaints. Wage and Hour directed Anatec to post the required notices at each job site where H-1B workers were currently employed.

Anatec appealed the order to the department's chief administrative law judge. It argued it could not be required to post notices at worksites owned by its customers and should only have to post notices in its own branch offices, even though neither the H-1B foreign employees nor U.S. workers doing the same jobs actually worked in Anatec's offices since they worked at the customers' office. Anatec also argued that posting its pay rates for H-1B foreign workers would cause unrest among employees at the worksites of its customers.

Rokentenetz rejected these arguments. "While unfortunate from a business standpoint, Congress undoubtedly considered such consequences in crafting the complaint-driven system by which employers' compliance ... is monitored. Effective notice to similarly situated employees is critical to such a system," he said.

Echaveste said, "We applaud this decision confirming our long-held interpretation of this aspect of the law. The issues involved in this case are of special importance for employers in the computer and health care industries who assign H-1B employees to work at establishments operated by other firms.

"This law is designed to meet the legitimate needs of America's employers while at the same time effectively protecting the wages and working conditions of U.S. workers. The notification requirements in the law are an important part of the overall system intended to ensure the protection of U.S. workers, and we will enforce these requirements whenever we investigate employers of temporary H-1B foreign workers."

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News Release



U.S. Department of Labor

Office of Public Affairs
Washington, D.C.

EMPLOYMENT STANDARDS ADMINISTRATION

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FOR RELEASE: Immediate
Thurs., May 25, 1995

REICH APPOINTS COMMITTEE TO REVIEW MINIMUM WAGE RATES IN AMERICAN SAMOA

Secretary of Labor Robert B. Reich today announced the appointment of six members of the committee selected to review current minimum wage rates for all industries in American Samoa covered by the Fair Labor Standards Act (FLSA), the federal wage and hour law.

The committee hearing is open to the public. It will begin June 12, 1995, in Pago, American Samoa.

The committee consists of two members each selected to represent the public sector, employers, and employees. Joseph Sharnoff, the chair, and Soliai T. Fuimaono are public representatives. Patricia R. Letuli and Brian W. Leamy are employer representatives, and John Zalusky and Moaaliitele Tuufuli are employee representatives.

The FLSA provides that minimum wage rates in American Samoa may be established by special industry committees at rates below that required on the mainland. The current mainland minimum wage is \$4.25 an hour.

After public hearings to review local economic conditions and testimony from interested parties, the committee will determine whether Samoan minimum wage rates - currently \$2.25 to \$3.50 an hour - should be increased or should remain at current levels. Wage rates cannot be decreased.

The committee will recommend to the Labor Department the highest rate for each industry that will not substantially curtail employment and will not give industries in the territory a competitive advantage over similar mainland businesses. These recommendations will be published in the Federal Register and take effect 15 days after publication.

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Nearly 8,000 public and private employees in American Samoa are protected by FLSA, including most of the approximately 2,700 employees of the Government of American Samoa. Tuna canning, the major private sector industry, employs more than 3,900 workers in two canneries.

The FLSA provides for minimum wage, overtime pay, recordkeeping and child labor standards and is enforced by the Wage and Hour Division of the department's Employment Standards Administration.

This information will be made available to sensory-impaired individuals upon request. Voice Phone: 202-219-6060, TDD Message Referral hone: 1-800-326-2577.

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News Release



U.S. Department of Labor

Office of Public Affairs
Washington, D.C.

EMPLOYMENT STANDARDS ADMINISTRATION

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OFFICE: 202/219-8743 FOR RELEASE: IMMEDIATE
Mon., Sept. 25, 1995

MINIMUM WAGE RATES INCREASED FOR AMERICAN SAMOA

Mandatory minimum wage rates for American Samoa will increase Thursday, Sept. 28, the U.S. Labor Department announced today.

A special six-member industry committee appointed by Labor Secretary Robert B. Reich met in Pago Pago, American Samoa, in June. The committee, composed of two members representing the public, employers and employees, reviewed the economic conditions in American Samoa and heard public testimony before it made its final recommendations.

In tuna canning, the chief Samoan industry, the required minimum wage rates will rise to \$3.10 per hour effective July 1, 1996, an increase of 5 cents per hour.

Minimum wage rates for the other covered private-sector industries in the territory will increase by a range of 5 to 25 cents per hour effective Sept. 28, 1995 and by another 10 to 15 cents on July 1, 1996. The wage rates for all government employees will increase to \$2.45 per hour effective Oct. 1, 1996.

The industry committee meets biennially to recommend an alternative to the automatic application of the mainland minimum wage rate, and to gradually increase rates to the mainland level without adverse effect on the Samoan economy or on job opportunities. The current mainland minimum wage is \$4.25 an hour.

Authority for this special industry committee procedure is contained in the federal Fair Labor Standards Act, administered by the Wage and Hour Division of the Labor Department's Employment Standards Administration.

Notice of the new American Samoa wage rates was published in the Federal Register on September 13, 1995.

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